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GOVERNMENT RESTRUCTURING PRIVATIZATION GROUP

Report of the Action Group - Inland Ferries

EXECUTIVE SUMMARY

February 29, 1988

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GOVERNMENT RESTRUCTURING PRIVATIZATION GROUP

DATE: February 29, 1988

SUBJECT/TITLE: Report of the Action Group - Inland Ferries

EXECUTIVE SUMMARY

BACKGROUND

The Action Group on Inland Ferries determined the service level requirements and options for reducing the costs of operation of the inland ferry system by examining and analysing the records of the Ministry of Transportation and Highways, considering the reports of the one member who visited each service in the Province, estimating the impacts of various options for change, and discussing proposed conclusions and recommendations.

The Action Group findings on each service are included in the Appendix - Detailed Assessment of Services.

OPTIONS

After coming to its conclusions about the service level requirements of each of the inland ferries, the Action Group considered options for cost reduction:

Status Quo

Cost Reduction Through Termination, Reduction of Service, or Changes in Technology

Operation by the Private Sector

Cost Reduction Through Imposition of Tolls

Sale and Lease Back

The conclusions and recommendations of the Action Group combine the assessment of the individual service, the determination of the service level requirement, and the application of one or more of the studied options.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

The Action Group - Inland Ferries recommends that:

1.(a) the Ministry of Finance and Corporate Relations, Provincial Treasury, complete its analysis of the sale and leaseback of assets used in the inland ferry operations, and

1.(b) if the transactions meet the Government's criteria for differentials in borrowing rates, proceed to complete them.

> Sale and lease back of major capital assets has been used as a technique for reducing the Government's total cost of borrowing. The opportunity for such a saving is being assessed by the Provincial Treasury.

2. the Ministry of Transportation and Highways proceed with the replacement of M.V.Needles with a purpose-designed, purpose-built 40-car cable ferry at an estimated cost of $ 2.1 million.

> This is an example where an option exists to obtain long term savings by changing the technology used in providing the service.
>
> M.V. Needles, the vessel currently used in providing the service across Lower Arrow Lake between Needles and Fauquier on Highway 6, is certified under the Canada Shipping Act. As such, her crew size and qualifications are specified by regulation.
>
> Replacement of M.V.Needles by a powered cable vessel will end the need for certification and allow the total personnel to be reduced from about 27 FTE to about 10 FTE. A reduction in fuel cost is also expected.
>
> The total annual saving is estimated by the Ministry to be about $ 700,000.
>
> The reduction in staff will produce negative employment impacts in the neighbourhood of the ferry.

3. the Government declare the major ferry services as Privatization Projects and proceed to turn them over to private operation using the established program and criteria, separate from the privatization of road and bridge maintenance.

For clarity, the major routes are:

Francois Lake
Kootenay Lake
Upper Arrow Lake
Needles-Fauquier

The Action Group concluded that these ferries provide a fundemental transportation service that should continue to be provided by the Ministry of Transportation and Highways or its contractors.

Although there is an element of service to local communities in each of these operations, their main function is as links in the basic transportation network of the Province.

These services are provided by crews who have special qualifications for marine service and who may be prepared to establish themselves as corporations for the purpose of providing the service as private operators. The individual operations are substantial enough to provide such opportunities.

The major services in the Kootenays might be operated as a single company if suitable proposals are received.

4. the Government confirm that the Prime Contractor of the Ministry of Transportation and Highways in each of the relevant road and bridge maintenance Contract Areas will be required to see to the provision of ferry service of defined standards at:

Big Bar
Glade
Harrop

and at:

Barnston Island

at the completion of the present contract for service or, if possible, through the assignment of the present contract.

5.(a) the Government confirm that, subject to termination by the Ministry with one year's notice, the Prime Contractor of the Ministry of Transportation and Highways in each of the relevant road and bridge maintenance Contract Areas will be required to see to the provision of ferry service of defined standards at:

Usk
Lytton
Little Fort

5.(b) the Ministry of Transportation and Highways continue to monitor and analyze the feasibility of replacing these ferries with alternative road or bridge construction.

The Action Group concluded that the ferries listed in recommendations 4 and 5 provide essential service that should continue to be provided by the Ministry of Transportation and Highways or its contractor.

These ferries serve small local communities that would be isolated if the service were terminated.

In the case of Usk and Lytton, there is a possibility that the ferries might be replaced by the construction of bridges by forest companies. At Little Fort, the Action Group suggests a study to determine whether it is economic to upgrade a road alternative.

At Barnston Island, the service is now being provided successfully by a private operator under contract.

In keeping with the announced plans for privatization of all road and bridge maintenance operations, ferry operations should be included among the services to be provided or subcontracted by the Prime Contractor in each of the relevant Contract Areas. Staffing, maintenance, and supply would then be provided locally by responsible organizations.

6.(a) no tolls be imposed on inland ferries listed in Recommendations 3, 4, and 5.

6.(b) that the 1988/89 revenue target of the Ministry of Transportation and Highways be amended to reflect the decision taken on this recommendation.

The Action Group believes that ferrry service is one of those that responds to a general social need and, as such, responds to the needs of the public at large rather than just the local users. In this circumstance, since everyone benefits it is considered equitable that the costs of such services be borne through general taxation.

For this reason, the Action Group recommends that tolls not be imposed on inland ferries providing essential or fundemental transportation service.

The Action Group also concluded that, even if tolls were charged, that a goal of 100% cost recovery is not realistically achievable.

At a 30% cost recovery level, imposition of tolls on the major ferries would result in annual revenues of about $ 1.5 million without accounting for costs of collection and administration. The rate per single crossing by auto unit would be in the $ 2.00 to $ 3.00 range. ($ 7.00 to $ 10.00 per truck).

7. the Ministry of Transportation and Highways terminate the service and remove the infrastructure at McLure ferry.

The McLure ferry provides a service of convenience only. There is no identifiable community served by the ferry.

8.(a) the Ministry of Transportation and Highways terminate the service at Marguerite and Arrow Park ferries, but,
8.(b) prior to removing the infrastructure at Marguerite, it be offered at a negotiated price to the Alexandria Band for their operation.
8.(c) prior to removing the infrastructure at Arrow Park, it be offered at a negotiated price, including access for use by the public, to Westar Logging for their operation.

The ferries at Marguerite and Arrow Park provide services of convenience only and should be terminated. In each case, however, the major recipients of the service might be interested in taking over the operation, at their own cost.

9.(a) the Ministry of Transportation and Highways terminate the service at Castlegar, but,
9.(b) prior to removing the infrastructure, it be offered to the City of Castlegar for their operation.

The ferry at Castlegar provides a service of convenience to commuters in the Robson - Castlegar community. Reasonable alternatives exist and the ferry service should be terminated.

The City of Castlegar should be offered the opportunity to provide this service before the infrastructure is removed.

The Action Group estimates that revenues of $ 250,000 per year could be obtained by charging $ 1.00 per auto crossing.

10.(a) the Ministry of Transportation and Highways terminate the service at Albion, but,
10.(b) prior to removing the infrastructure, it be offered to the British Columbia Ferry Corporation for their operation, or be declared a Privatization Project to be turned over to private operation with tolls being charged.

The service provided by the Albion - Fort Langley ferry is a convenience to commuters in the area. Reasonable alternatives exist and the service should be terminated.

The ferries on this run carry over 1,000,000 automobiles per year, making it by far the most used of the inland ferries. Imposing a toll of $ 1.00 per auto crossing would obtain revenues of about $ 600,000 per year. The operating cost is about $ 2,000,000.

The Action Group suggests that the BC Ferry Corporation might be prepared to operate this ferry service. It is geographically close to the major operations of the Corporation and economies of scale in management would minimize overhead costs.

As an alternative, this service could also be declared a Privatization Project along with the major ferries named in Recommendation 3. with the major difference that this service should be operated with user tolls being charged.

11. that the Ministry of Transportation and Highways continue to provide a grant to the private sector operator, Shuswap Lake Ferry Service Limited, in support of the commercial operation of the Shuswap Lake service until roads in the area are improved.

> The Action Group concluded that this private enterprise provides an essential service to an area not well served by road alternates. The combination of government subsidy and revenue from fares seems to keep the business viable.

12. that the Ministry of Transportation and Highways implement the other specific recommendations contained in the assessments of individual services in the Appendix - Detailed Assessment of Services.

> Several recommendations dealing with service hours and staffing are contained in the detailed assessments of the service.

GOVERNMENT RESTRUCTURING PRIVATIZATION GROUP

Report of the Action Group - Inland Ferries

SUMMARY OF RECOMMENDATIONS

February 29, 1988

GOVERNMENT RESTRUCTURING PRIVATIZATION GROUP

DATE: February 29, 1988

SUBJECT/TITLE: Report of the Action Group - Inland Ferries

SUMMARY OF RECOMMENDATIONS:

The Action Group - Inland Ferries recommends that:

1.(a) the Ministry of Finance and Corporate Relations, Provincial Treasury, complete its analysis of the sale and leaseback of assets used in the inland ferry operations, and

1.(b) if the transactions meet the Government's criteria for differentials in borrowing rates, proceed to complete them.

2. the Ministry of Transportation and Highways proceed with the replacement of M.V.Needles with a purpose-designed, purpose-built 40-car cable ferry at an estimated cost of $ 2.1 million.

3. the Government declare the major ferry services as Privatization Projects and proceed to turn them over to private operation using the established program and criteria, separate from the privatization of road and bridge maintenance.

For clarity, the major routes are:

Francois Lake
Kootenay Lake
Upper Arrow Lake
Needles-Fauquier

4. the Government confirm that the Prime Contractor of the Ministry of Transportation and Highways in each of the relevant road and bridge maintenance Contract Areas will be required to see to the provision of ferry service of defined standards at:

Big Bar
Glade
Harrop

and at:

Barnston Island

at the completion of the present contract for service or, if possible, through the assignment of the present contract.

5.(a) the Government confirm that, subject to termination by the Ministry with one year's notice, the Prime Contractor of the Ministry of Transportation and Highways in each of the relevant road and bridge maintenance Contract Areas will be required to see to the provision of ferry service of defined standards at:

Usk
Lytton
Little Fort

5.(b) the Ministry of Transportation and Highways continue to monitor and analyze the feasibility of replacing these ferries with alternative road or bridge construction.

6.(a) no tolls be imposed on inland ferries listed in Recommendations 3, 4, and 5.

6.(b) that the 1988/89 revenue target of the Ministry of Transportation and Highways be amended to reflect the decision taken on this recommendation.

7. the Ministry of Transportation and Highways terminate the service and remove the infrastructure at McLure ferry.

8.(a) the Ministry of Transportation and Highways terminate the service at Marguerite and Arrow Park ferries, but,
8.(b) prior to removing the infrastructure at Marguerite, it be offered at a negotiated price to the Alexandria Band for their operation.
8.(c) prior to removing the infrastructure at Arrow Park, it be offered at a negotiated price, including access for use by the public, to Westar Logging for their operation.

9.(a) the Ministry of Transportation and Highways terminate the service at Castlegar, but,
9.(b) prior to removing the infrastructure, it be offered to the City of Castlegar for their operation.

10.(a) the Ministry of Transportation and Highways terminate the service at Albion, but,
10.(b) prior to removing the infrastructure, it be offered to the British Columbia Ferry Corporation for their operation, or be declared a Privatization Project to be turned over to private operation with tolls being charged.

11. that the Ministry of Transportation and Highways continue to provide a grant to the private sector operator, Shuswap Lake Ferry Service Limited, in support of the commercial operation of the Shuswap Lake service until roads in the area are improved.

12. that the Ministry of Transportation and Highways implement the other specific recommendations contained in the assessments of individual services in the Appendix - Detailed Assessment of Services.

GOVERNMENT RESTRUCTURING PRIVATIZATION GROUP

Report of the Action Group - Inland Ferries

February 29, 1988

D.A. Kasianchuk, Chairman

James Crosland Doak, Q.C.(Man.)

Adm. Robert Yanow

BACKGROUND

In the October 23, 1987 News Release announcing Opportunities B.C., Premier Vander Zalm announced that an Action team will "look into ways to control costs, including consideration of user fees, on the Ministry of Transportation and Highways' inland ferry system." The announcement included the general mandate of the Action Groups - "to make recommendations to Cabinet on further privatization projects and program review initiatives".

Specifically, the Action Group on Inland Ferries (operated by the Ministry of Transportation and Highways) has been asked:

> "To determine service level requirements and the desirability of user fees taking into account costs, traffic volume and alternate routes."

The Action Group was chaired by D.A. Kasianchuk, Assistant Deputy Minister, Ministry of Transportation and Highways. The other members of the Action Group were Mr. James Crosland Doak, Q.C. (Man.), of Kelowna, and Adm. Robert Yanow, of Victoria.

Previous Decisions

On October 26, 1987 in correspondence to the Honourable Cliff Michael, then Minister of Transportation and Highways, David Poole, Principal Secretary to the Premier, confirmed that Cabinet had decided at its Retreat to accept the Ministry's Program Review recommendation that the Castlegar, McLure, and Marguerite ferries be no longer operated by the Ministry. The Ministry budget is to be reduced by $400,000 and its FTE's reduced by 10 as a consequence of this decision.

In the Deputy Minister's review of the Ministry 1988/89 budget with Treasury Board Staff, Wayne Hatch, representing the Principal Secretary, conveyed the Cabinet Retreat decision requiring the Ministry to add to its revenue target for 1988/89 a $2.0 million contribution from fees on inland ferries. This figure was determined by estimating that the gross revenue from fees would be $2.5 million and that the cost of collection would be $0.5 million.

At the November 12, 1987 meeting of the Implementation Committee with Chairmen of Action Groups, it was confirmed that decisions already taken by Cabinet would not be re-examined by Action Groups.

Since the revenue target in the 1988/89 budget of the Ministry of Transportation and Highways would include revenues from fees for use of inland ferries, it was agreed that the date for the submission from this Action Group should be changed to February 29, 1988 to allow the Ministry time to adjust to the change for the new fiscal year.

Action Group Activity

The Action Group proceeded by obtaining and analysing records from the Ministry of Transportation and Highways pertaining to the 1986/87 operations of the inland ferries under consideration. In addition, Adm. Yanow travelled throughout the Province to visit each of the operations and to get a personal appreciation of the role the ferry plays in the region it serves.

In addition to its analysis of the collected data and observations, the Action Group held meetings to discuss its findings, reach its conclusions and make its recommendations.

The Appendix - Detailed Assessment of Services contains the Action Group compilation of data, assessments and findings regarding each individual service.

OPTIONS

Status Quo

With the announcements of the privatization of road and bridge maintenance operations of the Ministry of Transportation and Highways, there is no status quo option for the operation of the inland ferries.

Cost Reduction Through Termination, Reduction of Service, or Changes in Technology

Each of the ferry services is different, responding to the topography, its history, and the people and economic development of the area it serves. In somes cases the ferry might be replaced by the construction of a road to the nearest existing bridge. In other cases, costs might be reduced by reducing the hours of service, at some inconvenience to a few users at some times.

Operation by the Private Sector

The presently planned procedure for privatization of road and bridge maintenance throughout the Province would have the inland ferries described as special operations to be provided by the Prime Contractor in the Contract Area within which the ferry is located. The Prime Contractor would be free to provide the service himself or to contract it out as, to him, seems most appropriate.

Within the option of operation by the private sector there are several sub-options that should be considered. Some operations may be more likely candidates for privatization than others. Privatization could be approached on a service by service basis, or there may be groups of services that should be handled together.

Cost Reduction Through Imposition of Tolls

The imposition of tolls would provide revenue which would defray (in the ultimate, pay) the costs of operation of the ferries. In addition, the imposition of a toll would reduce the utilization of the ferries, thus reducing the rate at which new or larger facilities are required.

These ferry operations, however, can also be thought of as services that respond to the general social needs of the public and, consequently, the costs should be borne through general taxation.

Sale and Lease Back

The Action Group has initiated an examination by the Central Borrowing and Planning Branch, Provincial Treasury, of the Ministry of Finance and Corporate Relations, of the possible financing advantage of a sale and lease back of inland ferry assets. Through such a transaction the Province would sell the assets to a private company and lease them back while retaining complete operating control as well as an option to repurchase. Treasury will determine whether such a transaction will allow the Province to raise capital at a cost below traditional debt instruments through the lessor's ability to use tax benefits (Capital Cost Allowance, (CCA)) not available to the Province.

Irrespective of the size of the financing advantage gained in such a procedure, the Government might decide to sell the assets to such a corporation as part of its strategy dealing with assurance of service when contracting to have the service provided by a private sector company.

CONSULTATIONS

The Action Group met with the Executive of the Ministry of Transportation and Highways to determine the Ministry's plans for each of the ferry services.

The Action Group travelled to Burns Lake on January 15, 1988 to meet with a delegation of residents of the south side of Francois Lake, as well as the Regional District, Village, and School District.

The Action Group has received and responded to over 600 pieces of correspondence dealing with its mandate. About 350 of these were from the Burns Lake area, dealing with the Francois Lake ferry. Over 200 were from the West Kootenays, dealing with the services in that region. None of the correspondents supported the concept of imposition of tolls.

The Action Group has also received correspondence and communications from Members of the Legislative Assembly.

CONSIDERATIONS

Cost Reductions Through Termination, Reduction of Service, or Changes in Technology

As required by the first part of its mandate, the Action Group considered the service requirements for each of the ferries being operated by the Ministry.

Detailed discussion of each of the services, indicating alternatives considered by the Action Group, and including some specific recommendations for efficiencies in some of the services, are included in the Appendix - Detailed Assessment of Services.

In summary, regarding the service level requirements, the Action Group concludes and recommends:

1. that the following ferries provide essential services that should continue to be provided by the Ministry of Transportation and Highways, or its contractor:

   Big Bar
   Glade
   Harrop

2. that the following ferries provide essential service that should continue to be provided by the Ministry of Transportation and Highways, or its contractor, until other possible transportation alternatives are provided:

    Usk
    Lytton
    Little Fort

3. that the following ferries provide fundamental transportation service that should continue to be provided by the Ministry of Transportation and Highways or its contractor:

    Needles
    Kootenay Lake
    Upper Arrow Lake
    Francois Lake

4. that the following ferries provide services of convenience that should be terminated:

    Albion
    Arrow Park
    Castlegar
    Marguerite
    Mclure

5. that the following services should continue to be provided by the Ministry of Transportation and Highways, or its contractors, as at present:

    Barnston Island
    Shuswap Lake

6. that several other opportunities exist for savings from changes in technology or levels of service:

    (a) From discussion with the Ministry of Transportation and Highways the Action Group learned of their proposal to replace the M.V. Needles with a cable ferry of larger capacity. This proposal is discussed in the Appendix - Detailed Assessment of Services and is recommended. The annual operating cost would be reduced by $ 700,000 for a capital investment of about $2.1 million.

(b) The M.V. Klatawa in service at Albion - Fort Langley is unique in that it operates on dual fuel. Its engines run on a mixture of approximately 80% compressed natural gas and 20% diesel fuel. In 1986/87 this resulted in a saving in fuel for this vessel of $26,000. The second vessel in this service, M.V. Kulleet, has just been converted to the dual fuel system and the total fuel savings for 1988/89 is projected to be $53,000. A saving in maintenance expenditures is also anticipated.

From discussions with the Ministry the Action Group learned that this operational saving cannot be gained at every location owing to differences in design of the vessels. Whenever vessels are being refitted, consideration should be given by the Ministry to making the necessary changes that would allow the use of dual fuel engines.

(c) The Action Group has identified several services in which savings might be made by road construction, resource road bridge construction, or by reduction in the hours of operation or in the number of personnel. These are individually noted in the Appendix - Detailed Assessment of Services and are not repeated here.

Financial Management Considerations

The Action Group estimates that savings of about $3.5 million per year would be made if the recommendations suggested in this section were implemented. This includes terminating the services at five locations, changing the ferry type at Needles, and personnel reductions at other locations. It should be noted that $2.2 million of this total is from proposed termination of the Albion - Fort Langley service.

Other Considerations

Termination of any inland ferry service operated by the Ministry of Transportation and Highways will result in negative reaction from the public served by the ferry. Considering the utilization of the ferries, this reaction would be greatest in the case of the Albion and Castlegar services.

The Action Group has discussed alternatives to termination of the services in each of these cases and has included its preferred options with its recommendations. Additional discussion of each case can be found in the Appendix - Detailed Assessment of Services.

Reduction of service will result in similar, though lesser, negative reaction.

In the case of the change from licenced ferry to cable ferry proposed at Needles, the staff complement can be reduced from about 26 to about 10. This results from no longer needing to supply crew to satisfy stringent Coast Guard requirements. This reduction in payroll will have some economic impact in the surrounding area.

Operation by the Private Sector

Current plans for privatization of the road and bridge maintenance functions of the Ministry of Transportation and Highways would have the ferry services described as special operations to be provided by the Prime Contractor in the Contract Area within which the ferry is operated. The Prime Contractor would be free to provide the service himself or to contract it out.

Ownership of the assets used in providing these services is an issue discussed later in this report. It is presumed for this discussion that the Province will either retain ownership or arrange a sale and lease back of the assets so that the Prime Contractor will be, in either event, a lessee of the assets required to provide the service.

The Contract for Services to be provided by the Prime Contractor would provide the method through which the conditions and level of service - hours of operation, frequency, allowed user charges, etc. would be defined by the Ministry. In the case of the unlicenced vessels, this Contract would also have to provide for maintenance of the equipment and operations in proper order for the public safety. These contracts must be drawn with some care regarding questions of liability since water related operations are always attended with peril.

In the case of the licenced ferries, prospective Prime Contractors should be made aware that the vessels are governed by Regulations made under the Canada Shipping Act, and as such, crew size, crew qualifications, ship safety appliances, and other features must meet the established standards and be subject to regular inspections by Canadian Coast Guard.

. . .

Alternatively, the Government might wish the Ministry to contract directly with an alternative operator for provision of these ferry services.

The Action Group believes that the major ferries should be considered for direct contract for services, that is, as Privatization Projects, separate from the privatization of Road and Bridge Maintenance. The major services are:

Service	F.T.E.	Operating Cost
Francois Lake	27	$ 1,400,000
Kootenay Lake	50	$ 2,100,000
Needles - Fauquier	(10)	$ (500,000)
Upper Arrow Lake	28	$ 1,400,000

(The Needles - Fauquier figures are estimated by the Ministry assuming that the present vessel is replaced by a powered cable vessel.)

(In the event that the Government decides to continue the service at Albion - Fort Langley, its 49 FTE, $2.1 million operating cost, and certified crew status make it an operation that should be considered as one of these major services.)

These services are provided by crews who have special qualifications for marine service and who may be prepared to establish themselves as corporations for the purpose of providing the service as private operators. The individual operations are substantial enough to provide such opportunities.

If it is decided to declare these operations to be Privatization Projects, the Government might wish to suggest that proposals be included for operating the three major services in the Kootenays as a single company. Some economies of scale might be available in maintenance staff and operations and in relieving staff, etc., to make such an operation more financially attractive.

The Action Group has received several letters from the private sector expressing interest in presenting proposals for operation of some or all of the ferry services in the Province.

In the case of ferries at Castlegar, Arrow Park, and Marguerite, the Action Group has suggested alternative operators, if it is decided that the services should be offered to others to operate instead of terminating them. In these cases, the Action Group recommends that the Government not provide continuing financial support for the operations.

In the case of the other minor ferries, the Action Group believes that the services should continue to be provided by the Province through the Prime Contractor of the Ministry of Transportation and Highways. The services require only a few employees and the local contractor will be able to supply these as well as the necessary supervision and maintenance services most efficiently.

Financial Management Considerations

No estimates have been made by the Action Group of the savings that would result from private operation of the inland ferries. Savings will come from reduction in the size of Government operation and overheads, as well as from reduced operating costs resulting from competitive proposals from the private sector.

Cost Reduction by Imposition of Tolls

The imposition of tolls would provide revenue which would defray (in the ultimate, pay) the costs of operation of the ferries. In addition, the imposition of a toll would reduce the utilization of the ferries, thus reducing the rate at which new or larger facilities are required.

The Action Group, however, believes that ferry service is one of those that responds to a general social need and, as such, responds to the needs of the public at large rather than just the local users. In this circumstance, since everyone benefits it is considered equitable that the costs of such services be borne through general taxation. (This paraphrases a statement of general revenue control policy of the Comptroller-General.)

For this reason, the Action Group recommends that tolls not be imposed on inland ferries providing essential or fundamental transportation service.

In order to provide additional information for discussion of tolls the Action Group estimated the tolls that would be charged per auto unit crossing for each of the ferry services. These tolls were calculated using the 1986/87 costs and traffic statistics contained in the Appendix - Detailed Assessment of Services.

Two cost recovery targets were used: Full Cost Recovery, including an allowance for depreciation, etc., and Recovery of Operating Costs (Only). The level of cost recovery in each case has been calculated at 100% and 30 %.

SERVICE	BASIC TOLL			
	Total Cost		Operating Cost	
	100%	30%	100%	30%
Albion - Fort Langley	$ 2.20	$ 0.65	$ 1.80	$0.55
Francois Lake	11.60	3.50	7.10	2.10
Kootenay Lake	15.70	4.70	10.00	3.00
Needles	8.80	2.65	7.25	2.20
Upper Arrow Lake	12.10	3.60	9.00	2.70
Arrow Park	$9.10	$ 2.70	$ 6.60	2.00
Castlegar	0.56	0.17	0.45	0.13
Glade	2.25	0.70	1.90	0.56
Harrop	1.90	0.60	1.60	0.50
Big Bar	$42.10	$12.60	$36.10	$10.80
Littlefort	10.50	3.15	9.50	2.85
Lytton	5.70	1.70	5.20	1.60
Marguerite	10.90	3.25	9.75	2.90
McLure	6.05	1.80	5.40	1.60
Usk	13.70	4.10	12.40	3.70

These Basic Tolls are for illustrative purposes, only. The imposition of a toll would affect the utilization of the service and the setting of a toll to achieve even a stated partial level of cost recovery would have to be done with more attention to the particulars of the service being considered.

In addition, any toll structure would have to be constructed to provide for concession fares for students and senior citizens as well as account for the costs of collection and administration of the revenue.

If a toll structure is to be established, the Action Group suggests that it be based on vehicle trips only, without reference to the number of passengers being carried. This will accord with the policy position that a transportation service is being provided rather than a passenger service. It will also allow the affected citizens to reduce some of the impact of the toll through carpooling or by parking on one side of the ferry and arranging for alternative transport on the other side.

The toll structure should be set using the Ministry of Transportation and Highways vehicle equivalencies. It should be noted that this would result in a loaded logging truck paying 3.5 times the Basic Toll.

Concession fares for students, senior citizens, and commuters should be made available through the sale of books of tickets.

Although more detailed considerations would be required to establish a toll structure for actual implementation, the Action Group believes that the table of Basic Tolls calculated as outlined above is sufficiently realistic to provide the basis for some conclusions and recommendations about ferry tolls.

The Action Group concludes on the basis of these calculations that the goal of 100% cost recovery is not realistically achievable.

As a consequence, the target level of cost recovery - a level of government subsidy - must be decided by Government. The Action Group has examined Government transportation subsidy decisions in the case of B.C. Transit and British Columbia Ferry Corporation to provide some frame of reference for the decision.

The 30% cost recovery target was selected since it relates well to the contribution expected from the direct users of the services provided through BC Transit throughout the Province, as well as the services provided by BC Ferry Corporation in its sparse routes.

The 30% recovery level tolls have been used in most of the subsequent analysis of the impact of tolls.

Financial Management Considerations

Collection and administration of toll revenue in Government enterprises requires that attention be paid to proper procedures and separation of responsibilities and accountabilities to meet the requirements of the Financial Administration Act.

If the Action Group understanding of the plans for privatization of the road and bridge maintenance operations of the Ministry of Transportation and Highways is correct, then all the ferry service will be in the hands of the private sector, in one way or another. The procedures and costs of collection and administration of the revenue (if tolls were charged) would, then, be a responsibility of the Prime Contractor or his subcontractor and would be of consequence only in determining what price need be paid for the service.

The issue of imposition of tolls under these circumstances becomes whether the Government will permit the private sector to charge tolls on contracted services, if so, what limits it will place on that freedom.

The Action Group recommends that where essential or fundamental transportation services are being provided under contract, that this be done without imposing tolls on the users of the ferries and that the contracts be written to account for this restriction.

In the cases where the Action Group has recommended that services be terminated because they provide only services of convenience, should the Government decide to accept the option of seeking alternative operators, the Action Group recommends that the alternative operators be allowed to charge commercially acceptable tolls and that this determination form part of the negotiation for turnover of the service.

In the case of Castlegar and Albion - Fort Langley services, the imposition of a $1.00 per auto trip toll would result in a saving to Government of about $850,000 per year.

If tolls were imposed at the 30% cost recovery level on the other major ferries, the annual revenues would be about $1.5 million without accounting for any costs of collection and administration.

Other Considerations

The Action Group has received over 600 pieces of correspondence and other submissions to which it has replied. Each has stated a position that predicts negative impacts from the imposition of tolls on the inland ferry system.

The Action Group recognizes the difference in treatment being recommended between services in the interior and similar services in coastal regions.

In the event that the sale and lease back arrangement is not financially attractive, it is recommended that the Government retain ownership of the vessels, docks, and other assets needed for the provision of inland ferry service. This will provide the needed assurance that service can be continued in the unlikely event of a default by a contractor.

For this purpose the Ministry of Finance and Corporate Relations will also recommend on the lease rates that should be charged for the use of the Government assets in this circumstance.

Financial Management Considerations

The savings that will be realized by the Government in a sale and lease back arrangement will not be attributed to the Ministry of Transportation and Highways.

Other Considerations

The Action Group understands that Government practice has been to consider sale and lease back only for assets that are new or relatively new. It should be noted that the youngest vessel in the inland ferries fleet is the Omineca Princess and she was constructed in 1976.

PUBLIC INFORMATION STRATEGY

The Action Group has not considered activity beyond making its recommendations to Government. Since there are a large number of recommendations on which decisions are being sought such a strategy could only be developed after consideration of the report by Government.

RECOMMENDED DECISIONS

It is recommended that:

1.(a) the Ministry of Finance and Corporate Relations, Provincial Treasury, complete its analysis of the sale and leaseback of assets used in the inland ferry operations, and

1.(b) if the transactions meet the Government's criteria for differentials in borrowing rates, proceed to complete them.

2. the Ministry of Transportation and Highways proceed with the replacement of M.V. Needles with a purpose-designed, purpose-built 40-car cable ferry at an estimated cost of $2.1 million.

3. the Government declare the major ferry services as Privatization Projects and proceed to turn them over to private operation using the established program and criteria, separate from the privatization of road and bridge maintenance.

   For clarity, the major routes are:

   Francois Lake
   Kootenay Lake
   Upper Arrow Lake
   Needles-Fauquier

4. the Government confirm that the Prime Contractor of the Ministry of Transportation and Highways in each of the relevant road and bridge maintenance Contract Areas will be required to see to the provision of ferry service of defined standards at:

   Big Bar
   Glade
   Harrop

   and at:

   Barnston Island

   at the completion of the present contract for service or, if possible, through the assignment of the present contract.

5.(a) the Government confirm that, subject to termination by the Ministry with one year's notice, the Prime Contractor of the Ministry of Transportation and Highways in each of the relevant road and bridge maintenance Contract Areas will be required to see to the provision of ferry service of defined standards at:

   Usk
   Lytton
   Little Fort

5.(b) the Ministry of Transportation and Highways continue to monitor and analyze the feasibility of replacing these ferries with alternative road or bridge construction.

6.(a) no tolls be imposed on inland ferries listed in Recommendations 3, 4, and 5.

6.(b) that the 1988/89 revenue target of the Ministry of Transportation and Highways be amended to reflect the decision taken on this recommendation.

7. the Ministry of Transportation and Highways terminate the service and remove the infrastructure at McLure ferry.

8.(a) the Ministry of Transportation and Highways terminate the service at Marguerite and Arrow Park ferries, but,

8.(b) prior to removing the infrastructure at Marguerite, it be offered at a negotiated price to the Alexandria Band for their operation.

8.(c) prior to removing the infrastructure at Arrow Park, it be offered at a negotiated price, including access for use by the public, to Westar Logging for their operation.

9.(a) the Ministry of Transportation and Highways terminate the service at Castlegar, but,

9.(b) prior to removing the infrastructure, it be offered to the City of Castlegar for their operation.

10.(a) the Ministry of Transportation and Highways terminate the service at Albion, but,

10.(b) prior to removing the infrastructure, it be offered to the British Columbia Ferry Corporation for their operation, or be declared a Privatization Project to be turned over to private operation with tolls being charged.

11. that the Ministry of Transportation and Highways continue to provide a grant to the private sector operator, Shuswap Lake Ferry Service Limited, in support of the commercial operation of the Shuswap Lake service until roads in the area are improved.

12. that the Ministry of Transportation and Highways implement the other specific recommendations contained in the assessments of individual services in the Appendix - Detailed Assessment of Services.

ACTION GROUP

INLAND FERRIES

APPENDIX

DETAILED ASSESSMENT OF SERVICES

The following sections contain the data used by the Action Group in forming its recommendations about the inland ferry services.

The DESCRIPTION OF THE SERVICE contains information about the location, vessels, capacity, schedule, infrastructure, alternate routes, traffic, and population served by the ferry.

Most of this information was obtained from records of the Ministry of Transportation and Highways. The population estimates were obtained from 1986 census data in the Ministry of Economic Development and are supplemented in some cases with data published in the Statement of Votes of the 34th General Election, October 22, 1986.

OBSERVATIONS contains the comments of the Action Group based on at least one visit to the site, examination of the available data, and discussion of the service.

COSTS OF OPERATION (1986/87) contains a pro forma statement of operating costs for the 1986/87 fiscal year calculated for each service. This statement is based on the records maintained by the Ministry of Transportation and Highways (Source: Ferry Management Information System, computer printouts, dated November 23, 1987). The entries were determined as follows:

Labour

The figure included in the 1986/87 Annual Report records of the Ministry were increased by 20% to obtain the Gross Labour cost.

This results in a labour cost which includes the costs of the benefits provided by the Employer, such as medical services plan contribution, pension, dental plan, etc.

Fuel, Operations, Refit, and Other

These entries are taken directly from the Ministry records for each service. Operations costs include minor maintenance costs of the vessels, docks, and access roads.

Depreciation

The replacement cost of the assets used in each service was estimated by the Manager, Marine Services in the Ministry. This cost was estimated on the basis of replacement with state of the art technology and, thus, overstates the value of the asset physically in use.

The annual allowance for depreciation was then calculated, assuming straight line depreciation over twenty years to a 15% residual value.

Insurance

The Ministry carries Protection and Indemnity Insurance on only the Klatawa and Kulleet, the vessels used in the Albion service. The Ministry self insures in all other cases.

For the purposes of the statement of operating costs, the annual premiums that would be paid for both Protection and Indemnity and Hull and Machinery Insurance has been estimated using industry standards.

Overhead

The costs of Headquarters operations, computing costs, space rental, and labour in the regions was calculated to be $590,000 in 1986/87. This amount has been allocated to each service in proportion to the ratio of operating cost of the service to the total operating cost of all services in the Province.

DISCUSSION, CONCLUSIONS, AND RECOMMENDATIONS are then presented for each service based on the Action Group deliberations.

The status of the ferries within the various maritime regulations, and the tramways, are as follows:

a. Licenced Ferries. The licenced ferries (MV Kulleet, Klatawa, T'Laguna, Omineca Princess, Balfour, Anscomb, Galena, and Needles) are registered under the Canada Shipping Act (CSA) and as such are not HM vessels. The decision to have the licenced ferries under the CSA or to retain them as Her Majesties (HM) vessels is the perogative of the B.C. Government. The vessels are licenced as minor vessels for use on rivers and lakes, and since they are registered under the CSA, they are subject to Coast Guard operation safety inspections. Crew size is a function of the number of passengers carried, and is regulated by the CSA.

b. Cable/Reaction Ferries. The four cable and six reaction ferries are designated as HM vessels, and as such are not subject to Coast Guard inspection. They are tethered vessels, and as such do not navigate, but they are subject to the regulations for safety as prescribed in the Navigable Waters Act. The responsibility for ensuring that the regulations are adhered to belongs to the Minister of Transportation and Highways.

c. Aerial Tramways. Aerial tramways are regulated under the Railway Act, R.S.B.C. 1979, Chapter 354. The tramways are the responsibility of the Minister of Transportation and Highways and are inspected as follows: cable, non-destruction testing, every two years; and, total operation; i.e., safety, technical, etc., every year.

"Bare Boat" Charter. This type of charter includes two significant factors: first, the facilities are on lease to the private company and if the need arises the Province can reclaim the operation; and second, all assets are leased to the private company and must be returned in the same condition on expiration of the lease.

BIG BAR
(Reaction Ferry)

DESCRIPTION OF THE SERVICE

This ferry operates across the Fraser River at a location 71 kms (44 miles), by road, from Clinton. Cross-country, the Big Bar ferry is 38 kms (24 miles) northwest of Clinton.

The vessel has a capacity of 2 autos and 12 passengers.

An aerial tramway is available for use when the ferry is out of service owing to adverse conditions.

Schedule

The service operates daily from 7:00 a.m. to 7:00 p.m. with one hour breaks at mealtimes. The 500 foot crossing takes about 5 to 8 minutes depending on the water level.

Infrastructure

The infrastructure consists of the reaction ferry, aerial tramway, operator's house (for duty personnel only), ramps, parking area and land, all of which belong to the Government.

Operational Limitations

Vehicle weight is limited to 9 tons. The ferry is not operated at certain times due to ice conditions or low water level.

Alternate Routes

There is one alternate route from the southwest side of the river (opposite side of Big Bar) to Lillooet, but this is a very difficult 65 km (41 mile), Section 80, forest road. It cannot be negotiated in poor weather conditions, even by fourwheel drive vehicles. In essence, the residents on the southwest side of the river depend on the ferry service for their living requirements, transportation of goods to market and emergency services.

Traffic

The total vehicular traffic in 1986/87 was 2,369 vehicles and the ferry carried 2,006 passengers. In fact, some of the passengers are cattle, moved 25 at a time on the ferry, and kept in pens or moved to market from the northeast side of the river at Big Bar.

An analysis of the July and October, 1987 records indicates that the ferry carried on average each day, four trucks, two other vehicles and nine passengers (excluding drivers) in July, and nine trucks, three other vehicles and 11 passengers (excluding drivers) in October.

The ferry is out of operation due to ice and low water for about four and a half months each year, and the commuters, about 8 to 10 per day, use the aerial tramway and leave their vehicles on the Big Bar side of the river. At times during this closure period, the residents negotiate the difficult route to Lillooet. The ferry operator at Big Bar indicated that the residents on the southwest side of the river rarely move out of their area - in essence, they are not ardent commuters.

Public Served

The southwest side of the river is an isolated area with the residents living in the valleys between the mountains. There are three families (ranchers) on this side of the river, for a total of seven people; no children; and a small gold mine which is tended, on a sporadic basis, by a crew of four.

The northeast side of the river at Big Bar is not much better, except that there are gravel roads to Clinton and to Highway 97 just north of Clinton, but the area is relatively uninhabited, except for some ranchers between Big Bar and Highway 97.

Population Served

The 1986 Census figures show 186 people in a large area surrounding the ferry.

The Statement of Vote shows 59 registered voters in the Big Bar region.

COSTS OF OPERATION 1986/87

ITEM	Cost ($)	Cost ($)	% Total
Operation:			
Labour	63,700		
Fuel	1,081		
Operations	18,234		
Refit	nil		
Other	2,575		
Sub Total		85,590	85.9
Depreciation		7,500	7.5
Insurance		2,300	2.3
Overhead		4,300	4.3
TOTAL		99,690	100.0

OBSERVATIONS

Big Bar and the adjacent area are quite isolated. Big Bar is located 70 kms (44 miles) from Highway 97 (gravel road) and 71 kms (44 miles) from Clinton (53 kms (33 miles) gravel and 18 kms (11 miles) paved road). The road to Lillooet from the Kelly Lake intersection (53 kms (33 miles) from Big Bar) is closed during the winter. The traffic on the Big Bar ferry is minimal to say the least, and the community on the southwest side of the river is exceedingly small. However, except for the 65 kms (41 miles), Section 80, forest road to Lillooet, which is not useable in certain weather conditions, the residents on the southwest side of the river are isolated and the Big Bar ferry is their only means of communication with the outside centres.

Initial reports suggested that the Big Bar ferry served the "Gang Ranch", but this ranch is 45 kms (28 miles) north of Big Bar. The "Gang Ranch" has a road access to Highway 97 and a bridge across the river. Unfortunately, there is no road to connect Big Bar to the "Gang Ranch" bridge. It is doubtful that the few ranchers on the southwest side of the river (opposite Big Bar) could afford to operate the ferry, or even have the personnel resources to do so.

CONCLUSIONS

At some periods during the year the residents on the southwest side of the river are isolated, and it should be noted that the long exit to Lillooet is via a very difficult road, which can only be negotiated using a four-wheel drive vehicle. The Big Bar ferry provides an essential transportation service.

RECOMMENDATIONS

The Big Bar ferry should continue to be operated by the Ministry of Transportation and Highways or its contractors.

No tolls should be imposed.

LITTLE FORT
(Reaction Ferry)

DESCRIPTION OF THE SERVICE

This ferry crosses the North Thompson River at Little Fort, a small community located 62 kms (39 miles) north of Kamloops and 28 kms (18 miles) north of Barriere.

The ferry has a capacity of 2 autos and 12 passengers, and 9,000 kg (19,845 lbs) maximum load.

A passenger-only aerial tramway with a capacity of 6 passengers is used during non-operational periods.

Schedule

The service operates daily, on call from 7:00 a.m. to 6:45 p.m. with two 1 1/4 hour breaks during mealtimes. The 200 yard crossing takes between 3 and 5 minutes depending on the water level of the river.

Infrastructure

The infrastructure consists of a reaction ferry, ramps, an operator's shed (on the Little Fort side), a parking area (on the Little Fort side), an aerial tramway, and land which on the west side of the river belongs to the Government, and on the east side belongs to the Indian Reserve.

Operational Limitations

The vessel is non-operational during high water (late May/early July) and during adverse ice conditions.

Alternate Routes

There is one route to Dunn Lake, through an area called Windpass, which is 8 kms (5 miles), and from this junction there is a gravel road 30 kms (19 miles) north to Clearwater or 34 kms (20 miles) south to Barriere. The Windpass road is a problem area because of the very steep grades on a short section of the route. Prior to 1948, the steep area of the road was bypassed, but a flood in that year took out two kilometers of road and washed out the bridge crossing Joseph Creek. Nevertheless, there is an alternate road to Clearwater and Barriere from the east side of the river for most of the year.

Traffic

This ferry carried 13,921 passengers (21,296 including drivers) and 7,375 vehicles (9,404 units), approximately 50% of which were trucks.

An analysis of the July and October, 1987 records indicate that the ferry carried on average each day, 80 vehicles and 120 passengers (excluding drivers) in July; and 61 vehicles and 74 passengers (excluding drivers) in October.

The ferry is out of operation due to ice and high water (debris in river) about four months each year, and the aerial tramway is used over this period by about 8 to 10 people each day.

Public Served

On the east side of the river the community between Barriere and Clearwater consists primarily of ranchers and an Indian Reserve with its centre being Chu Chua (10 kms (6 miles)by CN Rail, but 25 kms (16 miles) by road from the ferry landing).

An elementary school for about ten pupils is located at Little Fort and there is an elementary school for 20 pupils at Chu Chua - others use the elementary and high schools in Barriere.

The ferry provides service on a regular basis to about seven families (approximately 30 people), two to three children who attend school in Little Fort, a CN work crew, and from time-to-time, personnel from the Department of Fisheries.

Population Served

The 1986 Election figures show 192 registered voters in the surrounding region; the 1986 Census figures indicate an approximate population of 500 in the surrounding areas.

Other

This service is one of the five in the Province designated as essential services. During a stike, the ferry is operated twice a day, for one hour in the morning and one hour in the afternoon.

COSTS OF OPERATION (1986/87)

ITEM	Cost ($)	Cost ($)	%Total
Operation:			
Labour	59,400		
Fuel	793		
Operations	29,351		
Refit	nil		
Other	nil		
Sub Total		89,544	90.7
Depreciation		3,300	3.3
Insurance		1,560	1.6
Overhead		4,360	4.4
TOTAL		98,764	100.0

OBSERVATIONS

There is a small dedicated group of residents on the east side of the river that use the ferry system at Little Fort on a regular basis. However, the residents on the east side of the river are not isolated, since there is an alternate route to Clearwater and Barriere, even though the short stretch of road in the Windpass area does pose problems in some weather conditions.

CONCLUSION

Consideration should be given to rebuilding the two kilometers of road and replacing the bridge at Joseph Creek in order to give the residents on the east side of the river a decent access to the major centres year round.

RECOMMENDATIONS

The Little Fort ferry should continue to be operated by the Ministry of Transportation and Highways, or its contractors.

No tolls should be imposed.

Obtain engineering estimates of the required road and bridge construction, and if economically feasible, the road and bridge over Joseph Creek should be reconstructed and the Little Fort ferry operation should be terminated.

LYTTON
(Reaction Ferry)

DESCRIPTION OF THE SERVICE

The Lytton ferry operates across the Fraser River approximately 3 km (2 miles) north of Lytton.

The vessel is a reaction ferry with a capacity of 2 autos or one truck and 20 passengers.

Schedule

The service operates daily, on call from 6:30 a.m. to 10:15 p.m., with emergency service available from 10:15 p.m. to 6:30 a.m. The 400 foot crossing takes about 3 minutes.

Infrastructure

The infrastructure consists of a reaction ferry, a house for the senior operator, ramps and land, all of which belong to the Government, except that the ramp on the west side of the river is on Indian Reserve land.

Operational Limitations

Maximum vehicle weight is 10 tons. The ferry is usually out of service for 2-3 weeks in late June, early July, due to high water levels.

Alternate Routes

There are no alternate routes, and the residents on the west side of the river must use the ferry to gain access to the outside centres.

A description of the road on the west side of the river (opposite Lytton) is as follows: northward there is a 6 km (4 mile) gravel road which is maintained by the Department of Highways, to the Stein River Bridge, and on leaving the bridge, the road becomes a trail for 60 kms (38 miles) north to Lillooet, crossing private property and Indian Reserve; and southward, there is a 4 km (2 mile) gravel road which is maintained by the Department of Highways to the CN Rail bridge, and then this road becomes a trail for 40 kms (24 miles) south to Boston Bar Bridge.

Traffic

In 1986/87 this service carried 56,277 passengers (91,220 including drivers) and a total of 34,943 vehicles (49,206 units), 60 percent of which were trucks.

An analysis of the daily traffic records shows that the ferry carried on average 94 vehicles and 173 passengers. The vehicular traffic is essentially automobiles, trucks and school buses, and the tourist and commercial traffic is minimal, about 2% of the total.

This ferry operates throughout the year and is closed, on average, only 20 days per year due to ice and high water conditions.

Public Served

The ferry serves a group consisting of about 20 families (60 - 70 people) on a regular basis, and about 18 children use the ferry to get to school in Lytton. A school bus service is provided for the children. The Lytton Reserve Indian Band spans both sides of the river, and the senior operator estimated the Reserve Band population to be about 900, but that this fluctuates considerably. The largest ranch on the west side of the river is "Earlscourt", which is between the ferry landing and the Indian Reserve.

Population Served

The 1986 Census figures show approximately 208 people living in the region surrounding the Lytton ferry.

The 1986 Provincial Election figures show 600 registered voters in the region surrounding Lytton (both sides of the river).

When the ferry is out of operation, the school children on the west side of the river are escorted over the CN Rail bridge by the ferry operators. The Action Group was informed that there existed an agreement between the Ministry of Transportation and Highways and CN Rail allowing this trespass. Ministry officials in Victoria were unable to confirm the existence of such an agreement.

Other

This service is designated as an essential service and operates for one hour in the morning and in the afternoon during a strike.

The service is operated by members of the Lytton Indian Band (all B.C.G.E.U. members)

COSTS OF OPERATION (1986/87)

ITEM	Cost ($)	Cost ($)	% Total
Operation:			
Labour	228,400		
Fuel	nil		
Operations	28,169		
Refit	nil		
Other	nil		
Sub Total		256,569	91.8
Depreciation		7,500	2.7
Insurance		2,300	0.8
Overhead		13,260	4.7
TOTAL		279,629	100.0

OBSERVATIONS

The need for the ferry may be removed by the construction of a bridge across the Fraser River as a part of the proposed logging of the Stein River valley. The Ministry of Transportation and Highways has already considered participating in such a bridge to construct a pedestrian walkway and to supply traffic lights on the proposed one lane structure. The bridge, however, is not essential to the logging plan.

It was noted that this ferry had a total of 6.7 Full Time Equivalents (FTEs) to operate the system. The five other reaction ferries are operated with a complement of FTEs which range from a minimum of 2 and a maximum of 3.7. There is no apparent reason for the Lytton Ferry to have such a large number of FTEs, and a reduction in the number should be considered.

CONCLUSIONS

Since the community on the west side of the Fraser River would be isolated without it, the Lytton Ferry provides an essential transportation service. However, the number of FTEs needed to operate the Lytton Ferry should be reduced, since the other five reaction ferries seem to operate quite well with almost half the number of FTEs.

RECOMMENDATIONS

The Lytton Ferry should continue to be operated by the Ministry of Transportation and Highways, or its contractors.

MARGUERITE FERRY
(Reaction Ferry)

DESCRIPTION OF THE SERVICE

This ferry crosses the Fraser River at a location 16 kms (10 miles) north of Soda Creek; this is 48 kms (30 miles) north of Williams Lake and 54 kms (34 miles) south of Quesnel, providing service between Marguerite on the east side of the river to a point on the west side.

The vessel has a capacity of 2 autos and 18 passengers.

Schedule

The service operates on call from 7:00 a.m. to 7:00 p.m. with one hour meal breaks. The 200 yard crossing at high water takes about five minutes and about 22 minutes at low water.

Infrastructure

The infrastructure consists of a reaction ferry, ramps, shelter for the operator, parking area on both sides of the river, land and an aerial tramway, all of which belong to the governnent.

Operational Limitations

The ferry is inoperable during periods of very low water levels and severe ice conditions. An alternative six passenger only aerial tramway provides service during these times. Weight restrictions prohibit commercial vehicles from using the ferry.

Alternate Routes

There are two alternate routes to the west side of the river (opposite Marguerite). From Quesnel the route consists of 20 kms (12 miles) of paved road and 44 kms (28 miles) of gravel road in good condition - all on the west side of the river. From Williams Lake, the route includes 31 kms (19 miles) of Highway 97, across the bridge at Soda Creek, then 25 kms (16 miles) of good gravel road.

To circumnavigate from dock to dock via the Soda Creek Bridge is 51 kms (about 30 miles).

Traffic

In 1986/87 the service carried 15,204 passengers (26,600 passengers including drivers) and 11,396 vehicles (15,253 units), 65 percent of which were trucks.

About 56 vehicles and 77 passengers use this ferry each day, and when the ferry is out of operation due to ice or low water, about 10 people each day use the aerial tramway.

Public Served

There is no community centre on the west side of the river opposite Marguerite. Residents are dispersed inland and along the river. Information gleened from the local residents, indicates that there are about 75 families, of which about 20 (80 people) use the ferry during the operating months. In addition to these residents, there are six or seven families of the Alexandria Indian Band that use the ferry, and the members of this Band live on both sides of the river.

Population Served

The 1986 Census figures show approximately 200 people in the area surrounding the Marguerite ferry.

The 1986 Statement of Votes shows a total of 281 registered voters in the region.

COSTS OF OPERATION (1986/87)

ITEM	Cost ($)	Cost ($)	% Total
Operation:			
Labour	98,200		
Fuel	nil		
Operations	50,525		
Refit	nil		
Other	nil		
Sub Total		148,725	89.8
Depreciation		7,500	4.5
Insurance		2,300	1.4
Overhead		7,070	4.3
TOTAL		165,595	100.0

OBSERVATIONS

The ferry system is quite efficient, being on call during the main traffic period in the day, and operating with two full-time employees and one part-time. The west side of the river, opposite Marguerite is inhabitated by farmers, and apart from this the only other commercial operation is logging, but this is on a small scale. Farmers and loggers use the highway system for transporting their goods, and the ferry is not used for commerce or by tourists.

It is important to note that the Marguerite ferry is out of operation for five months of the year, and during this period, the alternate routes are used. This is primarily during the winter months, which indicates that the highway system in the area is of good quality, and there is no inconvenience to the residents in not having the ferry service. During this ferry downtime, the operators have very little to do since only 10 people per day use the aerial tramway. The bridge at Soda Creek is a 300 foot steel suspension construction with a wood deck, one lane, and is maintained by the Department of Highways.

The following factors should be noted: there are two good alternate routes linking the west side area to major centres; the ferry system is out of operation for five months of the year, and this apparently does not cause the residents any real inconvenience; the ferry is not used by commercial or tourist traffic; and, the ferry is not used as a highway link by school buses.

CONCLUSION

The Marguerite ferry is a convenience for a very small group of people and no one would be isolated if it were terminated.

RECOMMENDATIONS

The Action Group concurs with the Ministry of Transportation and Highways recommendation, accepted by Cabinet at Cowichan Bay, that operation of this ferry be terminated.

Before removing the infrastructure, the Province may wish to offer the facility to the Alexandria Indian Band for their operation as a Band service. This should only occur if the Band is willing to take the ferry on as a private venture or as a Band asset. In the event that the Band does not accept, the ferry service should be terminated.

No tolls should be imposed.

Any agreement between the Ministry of Transportation and Highways and CN Rail, regarding use of the CN Rail trestle during periods when the ferry does not operate, should be confirmed, or formalized, consistent with the need for public safety.

If a bridge is to be constructed to access the Stein Valley for logging, the proper arrangements should be made to allow its use by the public, and the Lytton Ferry should be terminated.

The number of FTEs needed to operate this ferry should be reassessed.

McLURE
(Reaction Ferry)

DESCRIPTION OF THE SERVICE

The McLure ferry operates across the North Thompson River approximately 42 km (26 miles) north of Kamloops and 18 kms (11 miles) south of Barriere.

The vessel has a capacity of 12 passengers and 2 autos.

Schedule

The service operates on call from 7:00 a.m. to 6:45 p.m. with two one hour and fifteen minute breaks during mealtimes. The 200 foot crossing takes approximately 5 minutes depending on the state of the water level.

Infrastructure

The infrastructure consists of the reaction ferry, a shed for the operator, ramps, a parking area on the McLure side, and land, all of which belong to the Government.

Operational Limitations

Maximum vehicle weight is 10 tons. The vessel in non-operational during high water (late May/early July) and in the winter during adverse ice conditions.

Alternate Route

There are two alternate routes from the uninhabitated west side of the river from McLure and these are as follows: 32 kms (20 miles) of dust-free road south to Kamloops; or, 18 kms (11 miles) of gravel road north to Barriere. The roads are passable in all seasons and are in good condition.

Traffic

In 1986/87 the ferry carried 11,244 passengers (21,164 including drivers) and 9,870 vehicles (13,062 units), 48 percent of which were trucks and semi-trailers, 39 percent were autos, plus a small percentage of RV's.

An analysis of the July and October, 1987 records indicates that the ferry carried on average each day, 49 vehicles and 57 passengers (excluding driver) in July, and 34 vehicles and 28 passengers (excluding driver) in October.

The ferry is out of operation due to ice and high water (debris in river) about four months each year, and since there is no aerial tramway at this ferry location, commuters use the two good alternates to their destinations.

Public Served:

The east side of the North Thompson River between Kamloops and Barriere (on the McLure side) is relatively well settled, with small communities like Rayleigh, Heffley Creek and McLure, interspersed with cattle ranches, a large sawmill (Balco Canfor), the Rayleigh Correctional Institute, etc. However, the west side has a few ranches and in the vicinity of McLure, it is relatively virgin land. The area in the immediate vicinity of the ferry is uninhabitated.

Population Served

The 1986 Provincial Election figures show a total of 90 registered voters on the west side of the river, and 171 registered voters on the McLure side.

COSTS OF OPERATION (1986/87)

ITEM	Cost ($)	Cost ($)	% Total
Operation:			
Labour	54,600		
Fuel	998		
Operations	14,659		
Refit	nil		
Other	nil		
Sub Total		70,257	88.8
Depreciation		3,300	4.2
Insurance		1,560	2.0
Overhead		4,010	5.0
TOTAL		79,127	100.0

OBSERVATIONS

The McLure ferry is a convenience route for a very small clientele, and this is reflected in the daily traffic (July, 1987) of 20 automobiles, 19 trucks, 3 RV's, 2 trailers, and 5 motorcycles/other type of vehicles. There is no community on the west side of the river (opposite McLure), and the roads on the west bank to Kamloops and Barriere are good and used by the commuters for at least one-third of the year when the ferry is out of operation.

From the October, 1987 daily records, the ferry did not carry any school buses, and since the ferry is out of operation for a large part of the school year, it appears that children living on the west bank of the river attend school at either Kamloops or Barriere. This is obviously the same for services, since McLure is an extremely small community.

CONCLUSION

The following factors should be noted: there are two good alternate routes linking the west side area to major centres; the ferry is out of operation for about four months each year, and this apparently does not cause residents any real inconvenience; during the year when the ferry is operating, the traffic is very light; and, the ferry is not used as a highway link by school buses. The ferry is a convenience for a very small group of people, and therefore, the service should be terminated.

RECOMMENDATION

The Action Group concurs with the Ministry of Transportation and Highways Program Review recommendation, accepted by Cabinet at Cowichan Bay, that this ferry service be terminated.

USK
(Reaction Ferry)

DESCRIPTION OF THE SERVICE

The Usk ferry operates across the Skeena river about 26 km (16 miles) northeast of Terrace.

The vessel has a capacity of 2 autos and 12 passengers.

A passenger-only aerial tramway with a capacity of six passengers is available during non-operational periods.

Schedule

The service operates on call from 6:00 a.m. to 10:00 p.m. during the months of March to November, depending on water level and ice conditions. The crossing time is 5 minutes at high water and about 20 minutes at low water.

Infrastructure

The infrastructure consists of a reaction ferry, docks, parking areas, shed for the operator, land and aerial tramway, all of which belong to the Goverment.

Operational Limitations

The maximum vehicle weight is 10 tons. The vessel is non-operational during times of ice or low water levels.

Alternate Routes

There are no road alteratives, however VIA Rail provides service leaving Usk three times weekly in the early evening to Terrace, with return service the following day. The schedule is not conducive to commuting to work in Terrace.

Traffic

In 1986/87 the ferry carried 31,990 passengers (44,023 including drivers) and 12,033 vehicles (13,950 units), approximately 66% of which were autos.

About 66 vehicles and 109 passengers use the ferry each day, and when the ferry is out of operation due to ice or low water, the residents use the aerial tramway.

Public Served

The population of Usk, on the west side of the Skeena River, is about 43 people. There are no services in this community, and during the winter months, the residents leave their cars on the east side of the river and use the aerial tramway.

Other

This service is one of the five designated as essential services and during a strike operates for an hour in the morning and an hour in the evening.

COSTS OF OPERATION (1986/87)

ITEM	Cost ($)	Cost ($)	% Total
Operation:			
Labour	106,100		
Fuel	nil		
Operations	66,423		
Refit	nil		
Other	nil		
Sub Total		172,523	90.4
Depreciation		7,500	3.9
Insurance		2,300	1.2
Overhead		8,600	4.5
TOTAL		190,923	100.0

OBSERVATIONS

The Usk ferry serves a very small isolated community and the residents must cross the river to go to work, school and to obtain services.

It was noted that the Usk ferry system is the same type of operation as that at Marguerite; Usk uses three full-time operators and three part- time for a total of 3.7 FTE's and Marguerite has two full-time operators and one part-time for a total of 2.4 FTE's. For a population of 43 people at Usk, the ferry operating hours and number of FTE's should be reassessed.

The Skeena Cellulose Company has tree licences in the area around Usk and into the Skeena Valley, and it appears that this company wants to commence logging operations in this area.

There have been discussions between the Company and the Department of Highways on the construction of a bridge, and the St. Croix Creek location, about 11 kms northeast of Usk, has been proposed. However, this does not mean that if the bridge goes in at St. Croix Creek, that a road will be built on the west side of the Skeena River to connect the residents at Usk to the highway. It appears that the Department of Highways has considered building a road to connect Usk to Terrace, but the venture would be very costly and at the present time the reasons for doing so cannot be supported.

From a discussion with the District Manager at Terrace, an estimate was made on building a highway to the St. Croix Creek location, and that estimate would be $2.2 million (200K x 11 kms). The Skeena Cellulose Company has made an estimate of $1.5 million for the construction of the bridge, a single lane concrete foundation, and is in discussion with the Department of Highways on cost sharing.

A petition from the Usk Community Association, signed by 24 residents (population of 43) was received, with the request that the Usk ferry and aerial tramway continue to be operated and maintained by the Ministry of Transportation and Highways, and that user fees not be imposed nor the hours of operation reduced.

CONCLUSION

The Usk ferry provides an essential transportation service.

RECOMMENDATIONS

The Usk ferry should continue to be operated by the Ministry of Transportation and Highways, or its contractors.

No tolls should be imposed.

The operating hours and number of operators should be reduced to make the service more efficient and economical.

The Ministry of Transportation and Highways should continue to discuss access to the west side of the Skeena River with the Skeena Cellulose Company and take advantage of any co-operative arrangement that can be made to provide road and bridge access to the residents of Usk.

ARROW PARK
(Cable Ferry)

DESCRIPTION OF THE SERVICE

This ferry operates on the Arrow Lake and is located 22 kms (13 miles) south of Nakusp, providing service between East Arrow Park and West Arrow Park.

The vessel is a cable ferry with a capacity of 8 autos and 30 passengers.

Schedule

The service operates on-call for 15 hours a day as follows: From 5:45 a.m. to 1:15 p.m., out of service from 1:15 p.m. to 3:15 p.m., on-call from 3:15 p.m. to 10:45 p.m. Service hours move ahead two hours during fire season. The 500 yard crossing takes about five minutes.

Infrastructure

The infrastructure is simple; besides the ferry, there are two gravel ramps, a house for the senior operator, and land, all of which belong to the Government.

Operational Limitations

The maximum vehicle weight allowed is 36.3 tonnes (40 tons)

Alternate Routes

There are no viable alternate routes on the West Arrow Park side. The roads are logging roads, even though it is possible to drive these with a four-wheel drive vehicle to Revelstoke and Fauquier in the summer months. At the top of the hill on the West Arrow Park side there is a sign which reads: "Private Logging Road, Loaded Logging Trucks, Travel at Your Own Risk". These logging roads are kept open by Westar and there is no activity by the Department of Highways on this side of the lake.

Traffic

In 1986/87 this service carried a total of 20,321 passengers (38,995 including drivers), and 18,874 vehicles (21,321 units). Approximately 80 percent of this traffic was automobiles.

An analysis of the daily records shows that on average the ferry carried 60 vehicles in July, 1987, and 96 vehicles in October, 1987 (the increase being in automobiles, almost double the July volume of automobiles - there is no obvious reason for this increase). The traffic in both months was very light, about five vehicles, between the hours of 1800 and 2245.

Public Served

There are no communities in the immediate vicinity of East Arrow Park and West Arrow Park. There are several summer houses on the West Arrow Park side and a logging operation by Westar. The ferry is primarily used by the loggers in the winter months.

COSTS OF OPERATION (1986/87)

ITEM	Cost ($)	Cost ($)	% TOTAL
Operation:			
Labour	112,400		
Fuel	7,331		
Operations	10,975		
Refit	nil		
Other	12,019		
Sub Total		142,725	73.8
Depreciation		32,000	16.5
Insurance		6,625	3.4
Overhead		12,200	6.3
TOTAL		193,550	100.0

OBSERVATIONS

The Arrow Park ferry is in an isolated area and serves a few people who live on the West Arrow Park side in the summer, a few tourists, and loggers all year round.

The main purpose of this ferry is to serve the needs of Westar Timber (Celgar) by providing access to its logging operations on the west side of the lake.

For a time period before 1974, this service was privately operated by the logging company. However, when the public was granted the right to use the company's forest roads for recreational purposes, the ferry again became a Ministry operation (May 1, 1974).

The brief from the Nakusp Chamber of Commerce noted that the Arrow Park ferry is:

> "used year round by local residents and tourists for fishing, hunting, trapping, mushroom picking, wood cutting, camping and other recreational activities. But the main use is for the forest industry and the traffic figures will indicate to you that most of the traffic is industrial.
>
> The ferry provides access to the west side of the Arrow Lakes and all the timber in TFL No. 23 to the height of land of the Columbia drainage. Logging in this area is active all year round with Westar Timber, logging contractors, conservation officers, fish and wildlife officials, ministry of forest personnel, Bell Pole, B.J. Carney Co. Lavington Planer Mill, Riverside Forest Products, Crown Forests, and others using the ferry on a regular basis. Many local contractors use the ferry daily to haul shake-bolts to the local shake and shingle mill.
>
> The current daily use for logging operations of Westar alone is, 2 gradermen, 21 logging trucks, 4 scaling and dump people, 74 logging employees (9 logging contractors), 2 or more Westar supervisors, several forest service employees and Westar foresters, for a total of 103, plus daily usage.
>
> The woods industry requires that the ferry operate longer than one shift per day. Woods employees currently board the ferry starting at 5 a.m. and return home around 6 p.m. (or later). Westar supervisors and forestry personnel use the ferry from 7 a.m. until 5 p.m. A reduced ferry schedule (one shift) would not be acceptable."

There are two claims to permanent residency on the west side of the lake, but it is understood that these residents do not in fact live there in the winter months.

CONCLUSIONS

Since there is a lack of permanent residents on the West Arrow Park side of the river, the ferry provides a convenience for several residents in the area.

The forest industry of the region is the major beneficiary of this service. Westar Timber is the largest user.

RECOMMENDATIONS

The Arrow Park ferry should be operated by Westar Timber with some arrangement made for access by the public.

If Westar does not take over the ferry operation, the service should be terminated.

CASTLEGAR
(Cable Ferry)

DESCRIPTION OF THE SERVICE

The Castlegar ferry operates across the Columbia River between Castlegar and Robson.

The vessel is a cable ferry with a capacity of 28 autos and 100 passengers.

Schedule

The service operates daily on a shuttle service from 6:00 a.m. to 10 p.m. The transit, dock to dock, is about 200 yards and the ferry crosses the river in about three minutes.

Infrastructure

This is a simple system which consists of the cable ferry, ramps, signalling system for highway traffic safety, and land; all of which are owned by the Province.

Operational Limitations

The maximum vehicle weight is restricted to 70% of legal load.

Alternate Routes

There are two excellent road alternates, as follows: 14.2 kms (9 miles) from Robson to Castlegar via Highway #6 Bridge; and 16.4 kms (10 miles) via the Hugh Keenleyside Dam. Circumnavigating from the centre of Robson, dock to dock, in either direction is 18 kms. (11 miles).

Castlegar Transit System provides alternative bus transportation between Castlegar and Robson. The service operates 12 hours per day.

A walkway across the C.P. Rail bridge is also used.

Traffic

In 1986/87 this service carried 389,460 passengers (867,885 including drivers) and a total of 478,425 vehicles (566,296 units), 60 percent of which were autos. This means that on an average day, the ferry carried about 1,370 vehicles. The commercial and tourist use of this ferry system is minimal.

Traffic statistics for July and October, 1987, showed that the volume of traffic remained essentially the same in all months of the year, and this adds weight to the conclusion that the ferry is a convenience to a suburb.

Population Served

The 1986 Census figures show approximately 2,000 people living in Robson and surrounding area. Approximately 900 of these live in Robson. Castlegar has a population of approximately 7,000.

Other

The Ministry of Transportation and Highways currently has an agreement with C.P. to maintain the rail bridge walkway. The local people now want the Ministry to upgrade the walkway which would cost $80,000.

COSTS OF OPERATION 1986/87)

ITEM	Cost ($)	Cost ($)	% TOTAL
Operation:			
Labour	186,400		
Fuel	13,501		
Operations	36,321		
Refit	16,057		
Other	nil		
Sub Total		252,279	79.3
Depreciation		43,000	13.5
Insurance		8,500	2.7
Overhead		14,320	4.5
TOTAL	--	318,099	--100.0

OBSERVATIONS

This ferry mainly serves Robson, a suburb of Castlegar, and its surrounding areas. Robson has a couple of small stores and an elementary school, and depends on Castlegar for other services, and the majority of employment, including employment at the Westar Pulp and Saw Mill.

School children are bused from Robson to Castlegar, however, the traffic statistics do not indicate consistent use of the ferry by school buses. It appears that the drivers use the most convenient route as assessed by them at the time.

There are two good alternate routes from Robson to Castlegar and a ferry is not needed, irrespective of the high traffic volume. In this instance, the ferry is a convenience only. If the ferry service is retained, the schedule should be limited to the heavy hours of 0600 to 1800 and the staff should be reduced from the present two operators to one. From observation, the second operator does not have a job, and the Castlegar ferry is no different to operate than the ones at Harrop and Glade, and these do quite well with only one operator per shift.

Representation to retain the ferry was received from the President, Castlegar Chamber of Commerce, with the following comments:

> "We would like to request that you reconsider the closure as it is a vital part of the daily lives in the area. The ferry is used a great deal for people going to work, shopping and to school. Should the the ferry close, re-routing would be possible, however, the time and distance involved would cause much stress, inconvenience and cost to those affected. The Robson-Castlegar ferry is also a tourist attraction and of great interest to historians.

DISCUSSION

Prior to the construction of the bridge at Kinneard in 1967, the Castlegar ferry service was an essential element in the southern Transprovincial Highway. Since that construction, however, the ferry has been operated as a convenience for the residents of Robson and surrounding area.

The Ferries Enquiry Committee of 1978 recommended that either tolls should be placed on the ferry or the ferry should be closed. During the Restraint Program of 1982 the Castlegar Ferry was actually closed for several days, and during the Program Review of 1987, the Ministry of Transportation and Highways once again recommended closure of this service.

The Action Group has been informed that Cabinet has accepted the Ministry recommendation that the Castlegar ferry service be terminated. The Action Group concurs with the Ministry recommendation and its acceptance by the Government.

The Ministry made two additional comments in its presentation regarding this ferry service: that prior to terminating the service, it should be offered to the City of Castlegar, and that costs could be recovered if a $1.00 per trip fare were charged.

The Action Group examined the total costs of operations and traffic during 1986/87 to assess the effects of a toll. Assuming that there would be a 50% reduction in utilization if a fare of $1.00 per car per trip were charged, the service would pay its own operating costs, but would not cover the allowance for depreciation of the assets.

As an alternative to abrupt termination of the service, the Government may wish to request proposals from alternative operators for continuing the service. If this alternative were to be considered, the Ministry should implement a fare of $1.00 per car per trip as soon as the necessary arrangements can be made. Observations of the operations of the ferry suggest that this fare could be implemented without increasing the staffing assigned to the service. Consideration could also be given to incorporating the Robson-Castlegar ferry into the B.C. Transit system which has a fare structure formula.

CONCLUSION

The Castlegar ferry should be terminated, and if it is to be retained, a fare structure should be imposed in order to recover the full cost of operating this service.

RECOMMENDATIONS

The Action Group concurs with the Ministry of Transportation and Highways recommendations, accepted by Cabinet at Cowichan Bay, that operation of the ferry be terminated.

Before moving the infrastructure, the Province may wish to offer the facility to the City of Castlegar for their operation as a community service. This should only occur if the City is willing to take the ferry on as a private venture or as a city asset. In the event that the city does not accept, the ferry should be terminated.

GLADE FERRY
(Cable Ferry)

DESCRIPTION OF THE SERVICE

This ferry operates on the Kootenay River, 20 kms (12 miles) from Castlegar and 25 kms (16 miles) from Nelson, providing service between Thrums (Tarrey) and Glade.

The vessel is a diesel-powered cable ferry having a capacity of 8 automobiles and 115 passengers.

Schedule

The ferry operates 24 hours daily; on demand during the day and on call from 2:30 a.m. to 5:00 a.m. The 300 yard crossing takes about four minutes.

Infrastructure

The infrastructure is simple; a cable ferry, ramps and land, all of which belong to the Government.

Alternate Route

There are no alternate routes and the residents of Glade depend on the ferry service for commuting to work and all normal and emergency services.

Traffic

In 1986/87 this service carried 82,619 passengers (182,334 including driver) and 99,715 vehicles (102,666 units), of which 96% were automobiles.

Approximately 309 vehicles use the ferry daily. Traffic is very light between 12 a.m. and 6:00 a.m. - irrespective of season.

Population Served

The 1986 Census showed about 250 people living in the Community of Glade.

COSTS OF OPERATION 1986/87

ITEM	Cost ($)	Cost ($)	% TOTAL
Operation:			
Labour	148,900		
Fuel	12,507		
Operations	31,609		
Refit	nil		
Other	nil		
Sub Total		193,016	83.7
Depreciation		21,000	9.1
Insurance		4,750	2.1
Overhead		11,730	5.1
TOTAL		230,496	100.0

OBSERVATIONS

The population of Glade is isolated from the main centres by the river. There are no services on the Glade side, no industries nor commercial outlets. There are about 50 children who attend the elementary school at Tarrey and the high schools in Castlegar; there is a regular school bus service.

To give Glade a road access to the highway on the east side of the river is not practical at this time for a community of 250 people - the five kilometers of terrain to join Glade to the highway via the Kootenay River Bridge (near the Kootenay Canal Generating Station) is extremely rocky and difficult, and the cost for building and maintenance would be prohibitive.

As at Harrop, the hours of operation need examination, since the volume of traffic between midnight and 0600 is about 15 automobiles.

There is the possibility that Mr. Kalesnikoff, owner of the Kalesnikoff Lumber Company, could be interested in the ferry service since about 15 of his workers live in Glade, he owns a tree reserve in the area, and he has a kindred association with the ethnic group in that community (Glade is 95% Russian background).

CONCLUSION

This is an essential ferry service.

An effort should be made to see if Mr. Kalesnikoff is interested in operating this ferry service with the provision of a subsidy. From the traffic statistics, it appears that evening and early morning hours are quite light - approximately 16 vehicles (July and October records) from midnight to 0600. Operating time for this ferry should be amended to a daily period of 0600 to 2100 and, of course, be on-call for emergencies.

RECOMMENDATIONS

The Glade ferry should continue to be operated by the Ministry of Transportation and Highways, or its contractors.

No tolls should be imposed.

The operating hours should be reduced to make the service more efficient and economical.

SHUSWAP FERRY
(Tug and Barge)

DESCRIPTION OF THE SERVICE

This ferry operates on Shuswap Lake between Seymour Arm, Anstey Arm and Salmon Arm, with Sicamous (home port of the operation) and Salmon Arm being the major centres.

The barge has a capacity of 9 automobiles and the tug can carry 18 passengers.

Schedule

The service operates three days each week, May through October, departing Sicamous at 7:00 a.m. and returning the same day at about 4:00 p.m. This service is reduced to two days each week, November through April.

Infrastructure

The infrastructure for this service belongs to the Shuswap Lake Ferry Service Limited.

Alternate Routes

A description of the road system in the Shuswap Lake area is of value. There is a road that circumnavigates the lake, as follows: leaving Highway 1 on the west side of Salmon Arm, crossing the bridge at Squilax (east end of Little Shuswap Lake), through Lee Creek, Scotch Creek, Celista, Anglemont, and to St. Ives, a distance of 47 kms on a paved road; then a 42.9 km forestry road, which is passable to Seymour Arm; the forestry road continues around the lake following Ratchford and then down alongside the Perry River to a point on Highway 1, 3 kms east of Craigellachie, a distance of 80.6 kms. The forest roads are loose gravel and rough in spots, but they are passable.

Traffic

An analysis of the traffic records shows that in July, 1987, the ferry carried 176 vehicles, 104 passengers (excluding drivers), and 385 tons of freight, for a total revenue of $6,317.41, and in October, 1987, the ferry carried 43 vehicles, 28 passengers (excluding drivers), and 22.4 tons of freight, for a total revenue of $1,257.15.

Public Served

The population of Seymour Arm is about 200 people, and it is a popular spot for tourists in the summer, as is the whole lake area. It is expected that this area will continue to develop, and eventually, the forestry roads will be improved. When this occurs, the ferry service will not be required.

COSTS OF OPERATION (1986/87)

This licenced tug and barge route is operated under an annual subsidy from the Ministry of Transportation and Highways. In addition, the Shuswap Lake Ferry Service Limited has a fare structure for vehicles, freight and passengers. The subsidy from the Ministry in 1986/87 was $28,400.

OBSERVATIONS

It appears that the Shuswap Lake Ferry Service Limited has a viable business by charging a fare and by defraying any other costs with the small $28,400 subsidy from the Ministry. As the roads in this area are improved, the ferry system will not be required, and the subsidy to the ferry company should be terminated.

CONCLUSION

A successful private enterprise ferry service which operates on a small subsidy and a fare structure. Support to the ferry service should be terminated once the roads to Seymour Arm are improved.

RECOMMENDATIONS

The service should continue to be provided by a private sector operator within a similar financial arrangement, subsidy and fare structure.

Terminate the subsidy once the roads in the area are improved.

HARROP
(Cable Ferry)

DESCRIPTION OF THE SERVICE

This ferry operates on the west arm of Kootenay Lake 24 kms (15 miles) northeast of Nelson and 7 kms (5 miles) west of Balfour, running between Longbeach and Harrop.

The vessel is a diesel-powered cable ferry and has a capacity of 10 automobiles and 55 passengers.

Schedule

The ferry operates on demand 24 hours a day. The 500 yard crossing takes about four minutes.

Infrastructure

The infrastructure is simple and includes the ferry, ramps and the land; all of which belong to the Province.

Alternate Routes

There are no alternate routes and residents in the Harrop-Proctor area depend on the ferry service for commuting to work and for access to all normal and emergency services.

Traffic

In 1986/87 this service carried a total of 112,820 passengers (275,594 including drivers) and 162,774 vehicles (168,983 units), of which 92 percent were automobiles.

Approximately 450 vehicles and 750 passengers including drivers use this service daily. Traffic is very light between 12 a.m. and 6 a.m., irrespective of season.

Population Served

The 1986 Census figures show approximately 400 people residing in the Harrop-Proctor region

The 1986 Statement of Votes shows a total of 278 registered voters in the region.

COSTS OF OPERATION 1986/87

ITEM	Cost ($)	Cost ($)	% TOTAL
Operation:			
Labour	168,600		
Fuel	19,969		
Operations	76,430		
Refit	nil		
Other	1,224		
Sub Total		266,223	82.9
Depreciation		32,000	10.0
Insurance		6,625	2.1
Overhead		16,380	5.0
TOTAL		321,228	100.0

OBSERVATIONS

This is an essential service providing the residents of Harrop and Proctor and surrounding regions the only access to the main centres on the other side of the river. There are no services on the Harrop-Proctor side; no industries except for the nursery run by the B.C. Forest service which employs 28 people. There are about 50 school children who go to school in Nelson and are provided regular school bus service.

CONCLUSIONS

This is an essential ferry service which could be run by the private sector, but a subsidy would be required.

At the present time, the ferry service is a 24 hour operation and from the traffic statistics, it appears that evening and early morning hours are quite light - approximately 15 automobiles (July and October records) from midnight to 0600. Operating time for this ferry should be amended to a daily period of 0600 to 2100 and, of course, be on-call for emergencies.

RECOMMENDATIONS

The Harrop ferry should continue to be operated by the Ministry of Transportation and Highways, or its contractors.

No tolls should be imposed.

The operating hours should be reduced to make the service more efficient and economical.

ALBION - FORT LANGLEY FERRY
(Licenced Ferry)

DESCRIPTION OF THE SERVICE

Two large ferries, the MV Kulleet which carries 26 autos and 146 passengers, and the MV Klatawa which carries 26 autos and 80 passengers, operate across the Fraser River between Albion (3 miles southeast of Haney) and McMillan Island, Fort Langley.

The MV Klatawa was converted to operate on natural gas in 1985. The vessel became the first passenger vessel in Canada to operate on natural gas when she was awarded a "Passenger Certificate" by the Canadian Coast Guard.

Schedule

The ferries do not adhere to a schedule, but run continuously, primarily because of the high traffic volume. The MV Klatawa operates from 6:00 a.m. to 1:40 a.m. and the MV Kulleet from 6:45 a.m. to 9:45 p.m., approximately 20 and 15 hours respectively, in a 24 hour operating period.

The crossing is approximately 1,000 yards and it is a five minute ferry ride, but the total operation of loading, unloading and transit takes about 15 minutes.

Infrastructure

The infrastructure includes three ferries. The third ferry, T'Laguna, replaces the major vessels during refits, however, it has reached the end of its useful life and will be "paid off" at the end of its current assignment.

The other facilities include docks, a terminal building and a vehicle waiting area on the Albion side.

Operational Limitations

Vehicle weight is limited to 13.22 tons for both vessels (MV Kulleet and MV Klatawa).

Alternate Routes

The alternate routes between the points of crossing are either via the Port Mann Bridge, a distance of 116 kms (72 miles), or by the Mission Bridge, the Lougheed Highway and Highway No. 1, a distance of 136 kms (85 miles).

Traffic

The Albion-Fort Langley ferry system is a high volume operation and on an average operating day the ferries carry 3,141 units (80,132 in a month), and 5,786 passengers, including drivers (180,140) in a month). Of the units moved, 94% are automobiles and from the 1986/87 traffic statistics, the commercial and tourist use is minimal.

In 1986/87, the total traffic moved was 1,182,000 units and 966,000 passengers (excluding drivers).

COSTS OF OPERATION (1986/87)

ITEM	Cost ($)	Cost ($)	% TOTAL
Operation:			
Labour	1,694,400		
Fuel	147,025		
Operations	198,908		
Refit	58,635		
Other	23,675		
Sub Total		2,122,643	82.5
Depreciation		287,500	11.2
Insurance		47,500	1.8
Overhead		114,600	4.5
TOTAL		2,572,243	100.0

OBSERVATIONS

As a public service, this ferry system is a very efficient and professional operation. However, with respect to infra-structure; the terminal, as a structure, far exceeds the requirement and in essence does not serve the public. It appears to be office space for the senior Captain, a conference area and storage facility. Further, using the senior Captain as an administrator is a waste of resources, and he could be more gainfully employed commanding a ferry, or elsewhere in the Inland Ferry System.

It should be noted that the load limit of these ferries is 13 tons and with this weight limitation they are not, as a rule, used by trucks such as semi-trailers.

The system was shut down in the past because of ice and the traffic was absorbed by the good highway system in the area. When operations recommenced, the traffic built up slowly - a possible indication that removal of this service would not be overly onerous to the public.

During the visit to this facility, Captain Elgin McKillup was in attendance, an employee of Western Pacific Marine Ltd., and although not discussed, it was obvious that the company is interested in taking over the Albion-Fort Langley run.

DISCUSSION

There are two factors to consider with this ferry system: remove the ferries from this area because it is a convenience service (note that volume is very high); turn the system over to the private sector outright or on a subsidy basis.

Although this ferry system could be termed a convenience to commuters (94% usage by automobiles), it does cater to a very high traffic volume (1986/87 volume was 1,146,352 vehicle units and 2,112,061 passengers).

The alternate routes of 116 kms and 136 kms appear to be excessive, but it should be noted that this is the mileage on a circumnavigation from one ferry landing to the other, and in practical terms it is only 50 kms (30 miles) from Fort Langley to the centre of Vancouver on a good highway system. The loss of the ferry service will cause some inconvenience to commuters, but the ferry system has been closed down in the past and the public adjusted to using the highways without any apparent problems.

CONCLUSIONS

There is an excellent highway system in the Fort Langley-Albion area with good alternates for commuters. In essence, the ferry system is a convenience for the public and, as such, does not justify the high cost of the operation. However, this ferry system lends itself to a private sector operation under a "Bare Boat" charter.

Since the cost to operate this ferry service in 1986/87 was about $2 million dollars, it is felt that a private company would not bid to operate the service without a government subsidy. In this regard, charging a vehicle fee would be appropriate in order to defray the subsidy. However, this ferry is a convenience to the public and not an essential highway link. For this reason, consideration should be given to terminating this ferry service. If a decision is made to retain the system, consideration could be given to offering the ferry service to the present employees, a private entrepreneur, or to the B.C. Ferry Corporation.

RECOMMENDATIONS

This ferry system should be terminated.

Before removing the infrastructure, the Province may wish to offer the facility to its employees as a private venture, to a private entrepreneur, or to the B.C. Ferry Corporation.

Irrespective of the option chosen, a toll should be imposed.

NOTE:

A "Bare Boat" charter includes two significant factors: first, the facilities are on lease to the private company and if the need arises the Government can reclaim the operation; and second, all assets are leased to the private company and must be returned in the same condition on expiration of the lease.

FRANCOIS LAKE
(Licensed Ferry)

DESCRIPTION OF THE SERVICE

This ferry operates across Francois Lake approximately 25 kms (16 miles) south of Burns Lake on Highway 35, between Southbank and the community of Francois Lake.

The service is provided by a single ferry, the M.V. Omineca Princess which is a 52.8 m (192 ft) twin screw, ice strengthened certified vessel with a capacity of 32 autos and 200 passengers.

Schedule

The ferry operates daily from 5:20 a.m. to 12.30 (p)m., departing about every 50 to 60 minutes, and on call for emergencies. The crossing time is approximately 15 minutes.

Infrastructure

The service is self-contained and the infrastructure includes the Omineca Princess, a tug and barge, floating dry dock, small equipment barge with the capacity to carry a crane, air bubble system for both terminals, drydock and tug berth, two parking lots, warehouse and two crew houses.

Operational Limitations

None: the ice-strengthened vessel, long hours of operation, and air bubble system provide for 12 month per year service. The tug and barge are used when the vessel is out of service for repairs or maintenance.

Alternate Routes

The road alternative around the lake via Ootsa Junction is 137 kms (86 miles) of which only 34 kms (21 miles) is paved.

Traffic

In 1986/87 this service carried 175,837 passengers (341,941 including drivers) and 166,104 vehicles (202,321 units), 81 percent of which were automobiles and 4 percent were logging trucks. Approximately 455 vehicles and 937 passengers including drivers use this ferry daily. Since traffic was heavy in 1986/87 it was necessary to restrict the number of logging trucks last year.

Population Served

The 1986 Census shows approximately 1,000 people living in Southbank and surrounding region.

The 1986 Statement of Vote show 164 registered voters in Southbank and approximately 400 registered voters in the surrounding region. On the Northside of the lake the figures show approximately 1,800 registered voters in Burns Lake, Francois Lake and surrounding region.

COSTS OF OPERATION (1986/87)

ITEM	Cost ($)	Cost ($)	% TOTAL
Operation:			
Labour	1,037,200		
Fuel	164,975		
Operations	214,419		
Refit	nil		
Other	14,021		
Sub Total		1,430,615	61.2
Depreciation		725,000	31.0
Insurance		97,000	4.1
Overhead		86,260	3.7
TOTAL		2,338,875	100.0

OBSERVATIONS

The ferry serves a wide range of users. The users on the Southbank and surrounding region include the logging industry who use the ferry to haul logs to the Lakes District mills; the farming and ranching industry who use the service to bring in their supplies and to transport their products to market; the residents of Southbank, providing them with access to medical and other services in Burns Lake (apparently 30% of the Burns Lake merchant's business is generated from Southside residents); approximately 20% of the Burns Lake work force resides in Southbank and surrounding region and use the service to commute; Southbank high school students (Grades 11 and 12) who attend school in Burns Lake; and the Grassy Plains Elementary Junior School in Southside who use the ferry to bring in school supplies. Mail to the Southbank region is also carried via the ferry.

There has been considerable representation from the citizens living on both sides of Francois Lake with respect to the essential role the ferry serves in the community infrastructure. The Action Group received approximately 350 submissions from the citizens of the Francois Lake area underlining their opposition to a "user fee" and to any reduction in ferry service. A meeting was held by the Action Group in Burns Lake 15 January, 1988, with the representatives of the residents in the area.

DISCUSSION

The volume of traffic on this ferry is impressive since in 1986/87, the ferry carried 202,321 units (assorted vehicles), and 175,837 passengers. This ferry works to load capacity, particularly during the day period 7:00 a.m. to 6:30 p.m., where vehicles are left behind on a regular basis, particularly loaded logging trucks.

The Southbank, Uncha, Danskin, Grassie Plains, Takysie, Ootsa, and Tatalrose communities are in essence isolated from the main areas which provide the needed services, and the only exit to these main centres is by the ferry, or by the long and arduous 137 km (85 mile) route around the western end of the lake.

One large commercial outlet, the Babine Forest Products Company, buys the products produced by the resident small contractors in the Southbank area, besides utilizing some of its own contractors. This company uses the ferry for moving its products, but the company has two alternate routes via logging roads to Fraser Lake and Houston. From a commercial aspect, Babine Forest Products Company, is important to the residents of the southside, and the ferry is an important link in the development of these communities.

With respect to infrastructure, the two houses (Senior Captain and Chief Engineer), small barge and warehouse (stock could be moved to the new Highways yard or aboard the Omineca Princess), should be removed from the inventory.

CONCLUSIONS

Without the ferry, the Southbank area is virtually isolated from the main service centres. Unless the Government is willing to provide a road access to Houston, Fraser Lake, or improve the road via the western end of the lake, the ferry will remain an essential service for the residents of the Southbank area. Since there is no viable alternate route on the Southbank side, a fare structure would be inappropriate.

RECOMMENDATIONS

The Francois Lake ferry should continue to be operated by the Ministry of Transportation and Highways, or its contractors.

No tolls should be imposed.

Redundant infrastructure should be removed from the inventory.

Anscomb traffic records indicated that vehicles were left behind on all runs in the 11:00 a.m. to 5:00 p.m. time-frame, in both July and October. A review of the records also indicated that traffic was light during the following periods: July, between 6:00 a.m. and 7:00 a.m. and 10:00 p.m. and 2:00 a.m.; and October, 6:00 a.m. to 7:00 a.m. and 9:00 p.m. to 2:00 a.m.

Population Served

The 1986 Census figures show approximately 1000 people residing in the areas bordering the lake; Riondel (310), Kootenay Bay-Crawford Bay (342), Boswell-Gray Creek (270).

The 1986 Statement of Votes shows a total of 748 registered voters in the region; Riondel (269), Crawford Bay (212), Gray Creek (105), Boswell (180).

COSTS OF OPERATION (1986/87)

ITEM	Cost ($)	Cost ($)	% TOTAL
Operation:			
Labour	1,595,100		
Fuel	214,122		
Operations	264,510		
Refit	224		
Other	49,980		
Sub Total		2,124,036	63.2
Depreciation		980,000	29.2
Insurance		147,000	4.4
Overhead		110,120	3.2
TOTAL		3,361,156	100.0

OBSERVATIONS

Although the population in the region bordering the ferry service is low, and apart from tourist trade in the summer and logging trucks using the service as a highway link, there are no industries in the immediate area of Kootenay Bay. This service is an important transportation link in the Trans-Provincial Highway system.

The volume of traffic on this ferry system is impressive, and the ferries Anscomb and Balfour (when in service) work to load capacity, particularly through the day period 11:00 a.m. to 5:00 p.m., where vehicles are left behind on a regular basis. Even though this service is efficient, professionally run and the service is free, many people are most irate when they miss the ferry and have to wait two hours for the next one.

Another important aspect in this ferry-highway system is that heavy snow in the Salmo-Creston and Kootenay Pass sections of the highway occasionally necessitate the use of both ferries to carry all highway traffic. For the most part, these are caused by the "controlled avalanches" which normally give the ferry authorities sufficient notice of highway closure. However, more careful co-ordination could reduce overtime for the ferries. Nelson District records from 1980 to 1987 show that the Balfour was brought into service due to Kootenay Pass road closure, during the January to March period, achieving a maximum number of seven days in 1983 and a minimum of one day in 1987.

The Action Group received approximately 120 submissions from the citizens living in the Balfour-Kootenay Bay area which indicated their opposition to a "user fee" being imposed on the ferry service. The majority of those submissions were in the form of a "clip-out coupon" obtained from the local newspaper which read: "I am opposed to placement of tolls on the Kootenay Lake Ferry. In our community the effect of these tolls would be socially devisive and economically disruptive."

CONCLUSIONS

This is an important transportation link because of the long alternates and the need to close the highway from time-to-time for a "controlled avalanche". Since the alternate route from Kootenay Bay, in particular, is long and hazardous, in some seasons, the ferry service is considered to be essential and a fare structure would be inappropriate.

RECOMMENDATIONS

The Kootenay Lake ferry should continue to be operated by the Ministry of Transportation and Highways, or its contractors.

No tolls should be imposed.

The operating hours should be reduced to make the service more efficient and economical.

NEEDLES
(Licensed Ferry)

DESCRIPTION OF THE SERVICE

The M.V. Needles operates on the Lower Arrow Lake between Needles and Fauquier making a transportation link for the continuation of Highway 6. Fauquier is 56 kms (35 miles) south of Nakusp and Needles is 124 kms (78 miles) east of Vernon.

The MV Needles is a fairly large ferry, in that it can carry 28 automobiles and 195 passengers.

Schedule

The service operates 24 hours per day, on a half hour departure schedule from 6:00 a.m. to 9:45 p.m., and "on call" from 10:00 p.m. to 6:00 a.m. The distance between docks is about 1,200 yards and takes 7 to 10 minutes to cross.

Infrastructure

The infrastructure, includes the M.V. Needles, a motor propelled, single deck, double ender ferry, a tug and barge, oil storage shack, concrete ramps and land, all of which belong to the Government.

Operational Limitations

The maximum vehicle weight is restricted to 63 tons.

Alternative Routes

There are no viable alternate routes, and the ferry provides an essential link for Highway 6. The alternate routes involve an 8 to 10 hour drive, and this is unrealistic.

Traffic

In 1986/87 this service carried a total of 266,613 passengers (418,384 including drivers), and 151,771 vehicles (173,090 units). 82 percent of the traffic was automobiles.

An analysis of the traffic for July and October, 1987, shows that the ferry carried 19,102 vehicles and 52,463 passengers (excluding drivers), and 13,035 vehicles and 24,495 passengers (excluding drivers), respectively. The daily vehicular traffic in July, 1987 was 697 vehicles and in October, 1987 it was 345 vehicles, of which over 75% were automobiles in both months. A review of the records also indicated that the traffic was light, in both months, between the period of 0000 to 0600, when the ferry was on-call.

Public Served

There are two communities in the immediate vicinity of the ferry landings, as follows: first, Fauquier which has a population of about 250 (1986 Census); and second, Edgewood, a few kilometers from Needles, with a population of about 400 (1986 Census).

COSTS OF OPERATION (1986/87)

ITEM	Cost ($)	Cost ($)	% TOTAL
Operation:			
Labour	1,095,600		
Fuel	87,993		
Operations	23,282		
Refit	nil		
Other	47,641		
Sub Total		1,254,516	82.4
Depreciation		170,000	11.2
Insurance		31,250	2.0
Overhead		66,700	4.4
TOTAL		1,522,466	100.0

OBSERVATIONS

This ferry is an essential link in the provincial highway network. Highway No. 6 starts at the U.S. border at Nelway and passes through Nelson, Slocan, Nakusp, Needles and continues over the Monashee to Vernon, where it meets Highway No. 97.

The Action Group has received briefs from the Village of Nakusp, the Nakusp Chamber of Commerce and correspondence from many residents of the region, including 175 printed letters from the Edgewood-Inonoaklin Women's Institute, all opposing any imposition of tolls or reduction in service.

Although the ferry is primarily a highway link, it has become nearly essential to the small local communities. Edgewood relies on Nakusp for its services.

Prior to construction of the Columbia River dams, the ferry location was surveyed for the possible construction of a bridge. The present day estimate, as given by the Ministry of Transportation and Highways, Bridge Branch, for the construction costs of a bridge at this location is $50 million.

The Ministry of Transportation and Highways proposes the replacement of the MV Needles by a purpose-designed/ purpose-built, forty-car cable-drive barge. The annual operating cost of the barge would be $700,000 less than the present cost. The savings come from reducing the staff from 26 to 10 owing to no longer requiring certified crews and crew size, and by a reduction in the fuel costs.

CONCLUSION

The Needles ferry provides an essential transportation service.

RECOMMENDATIONS

The Needles ferry service should continue to be provided by the Ministry of Transportation and Highways, or its contractors.

No tolls should be imposed.

The Ministry of Transportation and Highways should proceed with its plans to change from a freely navigating vessel requiring certification to a powered-cable ferry with much lower operating costs.

UPPER ARROW LAKE
(Licensed Ferry)

DESCRIPTION OF THE SERVICE

The MV Galena operates year-round on the Upper Arrow Lake on Highway 23 between Shelter Bay and Galena Bay. Shelter Bay is 50 km (31 miles) south of Revelstoke, while Galena Bay is 47 kms (29 miles) north of Nakusp.

The vessel is a licensed ferry with a capacity of 41 autos and 200 passengers.

Schedule

The service operates 19 hours per day, on an hourly departure schedule from 6:00 a.m. to 12:30 a.m. Additional sailings from 11:00 p.m. to 1:30 a.m. are scheduled from June 1-Sept 30. On Tuesdays and Thursdays, the 9:00 a.m., 9:30 a.m., 2:00 p.m. and 2:30 p.m. sailings are reserved for fuel and dangerous cargo only, no passengers allowed. The distance between docks is 5 kms and the crossing time is about 23 minutes.

Infrastructure

The infrastructure, besides the ferry, includes two concrete ramps (about 500 feet long), a work boat (18 foot), marine railway, camp (Shelter Bay) for crew accommodation, power house (3 generators); on the Galena side it includes one generator and a small terminal; and, all the infrastructure belongs to the Government.

Alternate Routes

There are no viable alternate routes. The alternate route from Revelstoke to the Galena Bay and Trout Lake area would be via Vernon, Needles (Fauquier) and Nakusp, a total of 250 kms (156 miles) (Highways 6 and 23).

Traffic

In 1986/87 this service had fairly high volume, carrying a total of 144,911 passengers (266,643 including drivers), and 121,732 vehicles (152,454 units). Approximately 74 percent of this traffic was automobiles.

An analysis of the traffic for July and October, 1987, shows that the ferry carried 17,019 vehicles and 22,037 passengers (excluding drivers) and 10,330 vehicles and 12,600 passengers (excluding drivers) respectively. The daily vehicular traffic in July, 1987 was 456 vehicles, and in October, 1987 it was 305 vehicles, of which 70% were automobiles in both months and in July, 16.5% of the traffic was RV's.

A review of the records also indicated that traffic was light in July between the periods of 0600 and 0800, and 1900 and 0130, and in October between 0600 and 0800, and 1900 and 0030. The high volume period is between 1200 and 1800 in both months, and in July, there are overloads when traffic is left behind.

Public Served

There are no communities in the immediate area of Shelter Bay and Galena. The closest population centre to Shelter Bay is Revelstoke and to Galena it is Trout Lake (population about 200) and Nakusp.

Population Served

The 1986 Census figures show approximately 22 people residing in a large areas surrounding the ferry service points.

The 1986 Statement of Votes shows a total of 66 registered voters in the region.

COSTS OF OPERATION (1986/87)

ITEM	Cost ($)	Cost ($)	% TOTAL
Operation:			
Labour	935,800		
Fuel	268,776		
Operations	99,937		
Refit	15,755		
Other	50,132		
Sub Total		1,370,400	74.2
Depreciation		330,000	17.9
Insurance		57,250	3.1
Overhead		89,440	4.8
TOTAL		1,847,090	100.0

OBSERVATIONS

This ferry is an essential link in the provincial highway network. The ferry is a part of Highway 23 and also provides a connection to Highway 31 from the Trans-Canada Highway at Revelstoke.

The lack of this ferry would not isolate any communities, but it would severely inconvenience travellers, tourists, and commercial traffic.

Traffic flow is about even in both directions. Apparently the ferry is used by people in Nakusp travelling to and returning from the larger centre of Revelstoke. There is also a high level of tourist traffic, including Alberta residents who own property in the Galena Bay - Trout Lake area.

The Ministry of Transportation and Highways maintains a camp at Shelter Bay. This facility is constructed of portable building units arranged as one facility with 12 bedrooms, kitchen, and lounge. The camp is provided as a convenience to those members of the crew who live outside the area. About half the crew live in Revelstoke and commute to work.

CONCLUSIONS

The Upper Arrow Lake ferry service provides an essential transportation link.

Costs could be reduced by closing the Shelter Bay camp.

RECOMMENDATIONS

The Upper Arrow Lake ferry service should continue to be provided by the Ministry of Transportation and Highways, or its contractors.

No tolls should be imposed.

The hours of service should not be increased until there is greater traffic justification.

The Shelter Bay crew camp should be closed.

BARNSTON ISLAND FERRY
(Licenced Ferry)

DESCRIPTION OF THE SERVICE

The ferry operates across Parson's Channel on the Fraser River between Port Kells and Barnston Island. The ferry has a capacity of five autos and 28 passengers (with vehicles) or 50 passengers (without vehicles).

Schedule

The ferry service is continuous, on signal, from 6:15 a.m. to 11:55 p.m. and 12:55 a.m. on weekends (Friday, Saturday and Sunday). The distance between docks is approximately 182 meters (200 yards) and the trip takes less than five minutes.

Infrastructure

The infrastructure includes two docks, barge and a shack on the Barnston Island side. These facilities belong to the Government; the company owns the tug.

Operational Limitations

The vessel has a maximum vehicle weight of 40 tons.

Alternate Routes:

There are no alternate routes and the residents on Barnston Island depend on the ferry service for commerce, shopping, schools, emergency services, etc.

Traffic

In 1986/87 this ferry carried 94,468 passengers (198,106 including drivers) and 101,638 vehicles (123,061 units), approximately 65 percent of which were autos. The ferry averages 542 passengers and 278 vehicles on a daily basis.

Population Served:

The 1986 Statement of Votes shows a total of 157 registered voters on Barnston Island.

OBSERVATIONS

Barnston Island is home to about 65 families (using a conservative multiple of three to a family, this gives a population of about 195 persons), five large dairy farms (dependent on getting milk to the mainland since there is no refrigerated storage on the island), a steel fabrication plant and a demolitions dump ground.

Since the ferry has operated under Western Pacific Marine Ltd. the complaints with respect to service have virtually disappeared. From conversations with the present operators, it appears that the Barnston Island residents would take out their frustrations, real or perceived, on the Government ferry operators. As noted, this does not occur under the present management. The operators are efficient, courteous and appear to have a good rapport with the residents.

CONCLUSIONS

There are no alternate routes and the ferry service is essential. The private company, under contract to the Government, appears to be giving the residents of Barnston Island excellent service. Since this ferry service is essential, it is considered that the present private sector contract be maintained, but under a "Bare Boat" charter.

RECOMMENDATIONS

Maintain the service as a private sector contract, but under more definitive terms (see definition of "Bare Boat" charter).

No tolls should be imposed.

KOOTENAY LAKE
(Licensed Ferry)

DESCRIPTION OF THE SERVICE

This service links Balfour with Kootenay Bay on Highway 3A across Kootenay Lake. The system has two ferries: the M.V. Anscomb with a capacity of 42 automobiles and 150 passengers; and the M.V. Balfour with a capacity of 38 automobiles and 136 passengers.

Schedule

The ferries operate on a schedule, with departures at about hourly intervals during the summer, with the M.V. Anscomb operating year round from 6:00 a.m. to 2:00 a.m. and the M.V. Balfour, April to September, from 6:00 a.m. to 6:30 p.m.

The crossing distance is 5.5 miles and takes about 35 minutes.

Infrastructure

The infrastructure, besides the two ferries, includes two docks and parking lots, and a shack on the Kootenay Bay side, a dry dock (at Sunshine Bay), tug, three barges, and a pile driver barge.

Alternate Routes

An alternate route exists from Balfour via Nelson-Salmo-Creston to Kootenay Bay, a paved distance of 234 kms (146 miles).

Traffic

In 1986/87, the Kootenay Bay ferry system carried 184,881 passengers (343,259 including drivers) and 158,378 vehicles (213,552 units) of which 68,699 were commercial vehicles.

This is a high volume operation, particularly during the summer season when two ferries are required. In the months of July and October, 1987, the Anscomb carried 16,711 units (assorted vehicles), 22,088 passengers (excluding drivers) and 9,079 units and 8,660 passengers, respectively. In the same months, the Balfour carried 9,951 units, 13,630 passengers and 3,390 units and 2,933 passengers, respectively.

For both ferries, approximately 50% of the traffic volume is automobiles and the remaining 50% is comprised of trucks, commercial and tourist traffic.